

**Charity registration number SC051077 (Scotland)**

**Company registration number 04492292 (England and Wales)**

**DIGITAL PRESERVATION COALITION  
ANNUAL REPORT AND FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31 JULY 2022**

# DIGITAL PRESERVATION COALITION

## LEGAL AND ADMINISTRATIVE INFORMATION

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### Trustees

Dr W Kilbride  
Dr J Bicarregui  
Mr K G Ashley  
Mr P L S Stokes  
Mr J Sheridan  
Mr T L Pham  
Ms R M Maurer  
Ms K Murray  
Mr T Keefe  
Ms S Corrigan  
Ms E Halvarsson (Appointed 24 March 2022)  
Mr L Johnston (Appointed 24 March 2022)

### Secretary and Executive Director

Dr W Kilbride

### Charity number (Scotland)

SC051077

### Company number

04492292

### Registered office

Triune Court  
Monks Cross Drive  
York  
YO32 9GZ

### Auditor

Alexander Sloan  
180 St Vincent Street  
Glasgow  
G2 5SG

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# DIGITAL PRESERVATION COALITION

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# DIGITAL PRESERVATION COALITION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT)

### FOR THE YEAR ENDED 31 JULY 2022

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The Trustees present their annual report and financial statements for the year ended 31 July 2022.

The financial statements have been prepared in accordance with the accounting policies set out in note 1 to the financial statements and comply with the charity's [governing document], the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended) and "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)" (effective 1 January 2019).

#### **Objectives and activities**

The objects of the Digital Preservation Coalition (DPC) as described in its Articles of Association are 'the advancement of education, for the public benefit, concerning securing the preservation of, and access to, digital resources and an enduring global digital memory nationally and internationally; through research, strategic alliances and collaborative working.' The DPC's legal purpose is education.

#### **Aims**

The DPC exists to secure our digital legacy.

Our focus is digital preservation which we define as the managed activities necessary to ensure continued access to digital materials for as long as necessary, including all the actions required to maintain access beyond the limits of media failure, technological obsolescence or community change. We engage in and with any and all of the people, tools, services, agencies and activities that aid this purpose.

Digital preservation is an issue which all organizations must address, but from which everyone benefits through long term access to digital resources. In this context the DPC exists to provide a forum for shared knowledge, understanding, experience and standards to underpin good practice and protect valuable digital resources.

We enable our members to deliver resilient long-term access to digital content and services, helping them to derive enduring value from digital assets and raising awareness of the strategic, cultural and technological challenges they face.

DPC aims to:

- bring people together to share knowledge and experience from different points on the digital preservation journey;
- commission and publish focussed and peer reviewed guidance on specific topics and sharing it widely and freely;
- to support users at all levels to develop good practice in digital preservation, and sharing these widely;
- raise awareness of digital preservation to ensure that it is addressed before it is too late;
- ensure that there are people capable of protecting digital resources through providing training and education both online and in person;
- enable attendance at conferences and training programmes by providing grants and funding;
- collaborate on specific topics that are challenging in multiple sectors;
- commission and conducting research and widely distributing the outcomes of that research;
- supporting the development of standards and good practice.

# DIGITAL PRESERVATION COALITION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

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### Activities

The DPC's activities are further delineated in our Articles of Association as follows:

- to secure the preservation of, and access to, digital resources and an enduring global digital memory nationally and internationally;
- to produce, provide and disseminate information on current research and practice in digital preservation;
- to train, build expertise, increase learning and expand the general pool of professionals skilled in digital preservation;
- to promote and develop services, technology and standards for digital preservation;
- to promote, advocate and raise awareness of digital preservation and related issues;
- to act as a representative voice of its members and make representation to national and international bodies on digital preservation;
- to forge strategic alliances with relevant agencies nationally and internationally, and work collaboratively together with other organisations to promote and advance digital preservation;
- to take all steps as may be deemed expedient, whether solely or in concert with others, to raise and encourage funding for digital preservation;
- to provide a common forum for the development and coordination of digital preservation strategies nationally and internationally;
- generally, to promote the interests of members as a whole and of digital preservation and the good practice in the management and access to digital resources and do such acts as may be incidental or conducive to the objects to the benefit of the Company and/or its members and/or their employees.

The implementation and arrangement of these activities are presented in a strategic plan which is renewed and agreed with members every 5 years.

### Strategy

The DPC operates under a Strategic Plan which is defined by our members and is renewed every five years. By coincidence, 2021-22 is the first year of charitable reporting and the final year of a plan adopted in January 2018.

The plan 2018-22 provided seven objectives:

- Community Engagement enabling a growing number of agencies and individuals in all sectors and in all countries to participate in a dynamic and mutually supportive digital preservation community.
- Advocacy: campaigning for a political and institutional climate more responsive and better informed about the digital preservation challenge; raising awareness about the new opportunities that resilient digital assets create.
- Workforce Development: providing opportunities for our members to acquire, develop and retain competent and responsive workforces that are ready to address the challenges of digital preservation.
- Capacity Building: supporting and assuring our members in the delivery and maintenance of high quality and sustainable digital preservation services through knowledge exchange, technology watch, research and development.
- Good Practice and Standards: identifying and developing good practice and standards that make digital preservation achievable, supporting efforts to ensure services are tightly matched to shifting requirements.
- Management and Governance: ensuring the DPC is a sustainable, competent organization focussed on member needs, providing a robust and trusted platform for collaboration within and beyond the Coalition.
- Scaled to the Global Challenge: To enhance our members' experience and the capacity of the digital preservation community around the world through the provision of a stable and trusted platform for collaboration, owned and run for the benefit of the global digital preservation community, and accountable to them through membership.

# DIGITAL PRESERVATION COALITION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

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### Success Criteria

The DPC has seven objectives, and each of these generate a broad workplan of activities, which in turn have a range of targets and criteria to measure success and impact ongoing.

The DPC uses a 'Continuous Quality Improvement' framework to measure success. Quality criteria are developed for each action in the DPC's workplan and agreed with the Representative Council formed from our full members. The workplan is then monitored explicitly by a series of Sub-Committees of the Board which meet every three months, with quality monitored, extended or adapted to meet changing circumstances and performance. Significant risk and opportunities are escalated to the Executive Board.

The DPC's success is most easily benchmarked against the total number of members and supporters involved in our work. This is a proxy measure of the value and relevance of our program for the wider digital preservation community. This is described in section 2 below.

The DPC's overall impact is most easily understood through an annual 'state of the art' assessment exercise in which members report the maturity of their digital preservation capability, and the progress they have made since the last year. The results are then aggregated to give a proxy measure of the changing capability across the entire community. This is also described in section 2 below.

### Significant Activities

The scope of the DPC and its activities are defined in five ways:

- By our members: we invest considerable energy in framing a program that responds to members' needs. As the membership changes so this scope will change through time.
- By topic: we define digital preservation as the managed activities necessary to ensure continued access to digital materials for as long as necessary, including all the actions required to maintain access beyond the limits of media failure, technological obsolescence or community change. We engage in and with any and all of the people, tools, services, agencies and activities that aid this purpose.
- By sectors: we are a cross-sector, inter-disciplinary body, open to all who need to ensure continuing access to digital content, irrespective of purpose.
- By locale: digital preservation is a global challenge so the DPC makes a global offer. We welcome memberships, partnerships and collaborations with agencies and individuals around the world. Our origins are as a joint endeavour between agencies the UK and Ireland where the bulk of our members are still situated. But at the start of this planning period DPC is active in 10 countries and 3 continents. In the delivery of this strategic plan we will extend our global offer and we prepare our transition to a global foundation.
- By our values: we maintain our neutrality with respect to solutions, approaches and vendors because this protects the independence and value of our activities. But neutrality does not imply exclusion from meaningful engagement.

# DIGITAL PRESERVATION COALITION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

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### Objectives

The DPC operates with seven strategic objectives in the period 2018-22:

- **Community Engagement**

We will enable a growing number of agencies and individuals in all sectors and in all countries to participate in a dynamic and mutually supportive digital preservation community. Building on investments in our infrastructure, and the growth of the Coalition, we will use a broad range of communication channels appropriate to our work to ensure that all members can access and benefit from participation in the DPC wherever they are in the world. We will continue to communicate and foster relationships with organisations outside the Coalition, building our digital preservation community for the benefit of members and non-members alike.

- **Advocacy**

Campaigning for a political and institutional climate more responsive and better informed about the digital preservation challenge, we will raise awareness about the new opportunities that resilient digital assets create. We will identify and celebrate good practice in digital preservation, and seek to engage not just organizations, decision makers and influencers, but the wider public in a dialogue about access to digital material in the long term. We will encourage them to act, ensuring that public and institutional policy, legislation and regulation enable robust digital preservation infrastructures.

- **Workforce Development**

Providing opportunities for our members to acquire, develop and retain competent and responsive workforces that are ready to address the challenges of digital preservation, we will provide tangible outcomes to our members in the form of training. We will also encourage the proliferation of high-quality training by others; and we will support those training providers that seek to develop curricula in digital preservation. We aim to provide authoritative labour market intelligence for employers, students and teachers alike, enhancing the relevance of training and extending the competence of staff. In this way, the DPC will become a forum for detailed and timely knowledge exchange between members for the benefit of all.

- **Capacity Building**

We will support and assure our members in the delivery and maintenance of high quality and sustainable digital preservation services through knowledge exchange, technology watch, research and development. We will provide members with the resources required to develop smarter processes and enhanced capacity in digital preservation. We will connect members to world class expertise in digital preservation and communicate lessons learned from development projects. We will facilitate and support the development of new resources and methods that offer credible and achievable routes to long-term preservation for digital resources, managed and created by members and their partners.

- **Good Practice and Standards**

We will identify and develop good practice and standards that make digital preservation achievable. We will support efforts to ensure services are tightly matched to shifting requirements, understanding and articulating the needs of our members into relevant development streams, ensuring that emerging standards and accreditation, regulations and legislation, products and services are realistic, achievable and meet member needs. We will use the Coalition and its members to facilitate the exchange of good practice, ideas and research for benchmarking, peer review and efficiency of effort.

- **Management and Governance**

We will ensure the DPC is a sustainable, competent organization focussed on member needs, providing a robust and trusted platform for collaboration within and beyond the Coalition. This requires good governance, transparency and trustworthiness on behalf of the DPC; and a commitment to openness, respect and mutuality from members. We will develop, foster and maintain partnerships so that all agencies involved in providing or enabling long-term access to digital resources can flourish and benefit from an effective and productive relationship with the DPC. We will encourage coherence, maximize impact, and welcome new contributions to the field. We will continue to monitor and maintain our relevance, coherence and effectiveness.

# DIGITAL PRESERVATION COALITION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

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- **Scaled to the Global Challenge**

Digital preservation is a global concern which needs to be addressed as such. Previous efforts to establish independent common purpose agencies for this growing community of organizations and individuals have not succeeded. Digital preservation vendors and solution providers operate internationally. In order to be able to mould these services to members' needs and to foster the growth of the global digital preservation community in new markets and geographies, the DPC will be scaled to the extent of the challenge. In doing so, the DPC responds to an invite, expressed repeatedly, to establish a trusted and stable platform through which all parties in digital preservation can collaborate. In doing so it seeks to lower the barrier to participation and improve the efficiency and quality of solution-building and deployment efforts. Our mission will enhance our members' experience and the capacity of the digital preservation community around the world through the provision of a stable and trusted platform for collaboration, owned and run for the benefit of the global digital preservation community, and accountable to them through membership.

### Values

In all that it does, the DPC will:

- Maintain neutrality in respect to solutions, approaches, sectors and vendors.
- Amplify the needs and successes of our members.
- Be open to all stakeholders.
- Maintain sound stewardship of our shared resources.
- Respond to the needs of members in the delivery of services.
- Be authoritative, current and concise in all our publications and communications
- Be respectful, welcoming, inclusive and transparent in all our dealings

Members and colleagues who engage with the DPC should recognize these values in their experience of the DPC and may be asked to adopt them when working with us or interacting through us.

### Grant Making policy

The DPC has a small grant making program called the Career Development Fund which supports training and professional development in digital preservation, especially for early career practitioners. This aligns with our charitable objects and our strategic objective on workforce development.

The program has two elements: Advertised Calls which provides access to training and development opportunities identified through the Workforce Development Sub-Committee; and Self-Identified Opportunities where members can address specific training needs with targeted opportunities. An application form and guidance is provided and criteria are published. Applications are assessed by a Sub-Committee of the members.

In the 2021-2 year this program accounted for around 12,000 GBP in expenditure.

### Volunteers

The work of the DPC is largely carried forward by paid staff. However, as a member-led charity we rely on member-volunteers on a variety of Committees and Executive Board to ensure good governance and relevance.

# DIGITAL PRESERVATION COALITION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

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### Achievements and performance

#### Principal achievements 2021-22

- **Community**
  - World Digital Preservation Day 2021
  - DPConnect (weekly)
  - 132 Blog Posts
  - 252 News Articles
  - Weekly Digest to members
  - 346 posts to DPC-Discussion, with an increase of 139 in subscriptions (215 new subscribers, 76 removed)
  - 359 posts to Digital-Preservation, with an increase of 105 in subscriptions (188 new subscribers, 83 removed)
  - 14 new members (up to 134 at the year-end)
  - 9 Supporters (3 new)
  - 20th Anniversary Celebration
  - World Cup of Digital Preservation
- **Advocacy**
  - Promoted and prepared Digital Preservation Awards 2022 (awarded September 2022)
  - World Digital Preservation Day, November 2021
  - BitList, the Global List of Digitally Endangered Species, 3rd edition November 2021
  - Digital Preservation Champions program initiated
- **Workforce Development**
  - 148 jobs advertised (up from 98 in the previous year)
  - 20 Grants for 11 Career Development Opportunities
  - 14 Grants to attend iPres 2022 (September)
  - 691 registrations to online training materials (648 main learning pathway, 43 to top-up course)
  - 428 completed training program (62%)
  - Learners from 31 countries
  - Competency Toolkit Developed
- **Capacity Building**
  - 36 specialist events
  - Major new publication: Computational Access: A beginner's guide for digital preservation practitioners
  - Technology Watch Reports: Preserving Born-Digital Design and Construction Records by Aliza Leventhal and Jody Thompson
  - 3 Guidance Notes: Developing an Access Strategy for Born Digital Archival Material by Brian Dietz and Shira Peltzman; Exploring ethical considerations for providing access to digital heritage collections by Lisa Smith, Jenny Wood, Greg Oakes & Madalyn Grant; and Wikidata for Digital Preservationists by Katherine Thornton

# DIGITAL PRESERVATION COALITION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

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- **Good Practice and Standards**
  - DPC Rapid Assessment Model translated into Japanese, Turkish and Italian
  - New RAM FAQ and related resources added
  - Core Requirements document drafted
- **Management and Governance**
  - Strategic Plan 2022-27 completed and endorsed
  - Charity status implemented
  - Three new staff appointed
  - Modernised payments approvals
- **Scaled to the Global Challenge**
  - Phase two operations of the DPC office in Melbourne
  - Full time staff member appointed head of DPC Australasia and Asia Pacific

### **The difference made**

The DPC's Rapid Assessment Model (RAM) allows members to set achievable targets in digital preservation and establish plans to meet them. Participants score themselves on a scale of 1-4 against 11 criteria, noting where they are now and where they want to be in a given time frame. Now in its 2nd full year of operation, the aggregated results has become an indirect proxy of the changing needs and capability of the digital preservation community and an integral part of the DPC's own planning for support.

DPC Members still score high for 'Community' The biggest gaps for DPC members relate to policy and strategy, content preservation and continuous improvement. RAM scores have improved for those Members who have shared RAM with us over last 3 years. This process has remained popular with members:

"It has been a really valuable exercise for us - it's allowed us to define /redefine where we want to concentrate efforts and it's helped us articulate what we've already achieved."

"The DPC RAM has a very useful tool for us. It allowed us to identify areas that need development as well as those areas where we have made significant progress. This has been invaluable in demonstrating to senior management the progress made in the last 3 years..."

### **More detailed review of milestones and indicators**

The single biggest project in the 2021-2 year has been the preparation of iPres, the premiere Global conference on digital preservation. Preparations kicked off originally in 2017 but the conference was formally announced on October 21 on at the closing ceremony of iPres 2021. The call for contributions was developed and published on time on 1st December, closing again as advertised on the 8th March. The indicative program was advertised in May and by the end of July registration had to be briefly suspended while the Local Organizing Committee upgraded the venue and other arrangements to accommodate the demand. The conference itself fell in September 2022 so outwith the current reporting period, and it will be reported fully in the next year. However even by the end of July 2021 it was obvious that iPres had exceed all our expectations, with significantly more contributions proposed and significantly more delegates than anticipated, heading towards the largest conference of its kind so far.

### **Charitable activities undertaken**

All of the DPC's program is accessible and available to the public, whether for free or at cost. Therefore, all the activities listed above represent charitable activities.

### **Achievements against objectives**

DPC has met or exceeded expectations against each of our seven objectives.

# DIGITAL PRESERVATION COALITION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 JULY 2022**

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### **Review of Achievements and Performance**

DPC has had an exceptional year in almost every indicator. It is financially robust with a growing membership globally and strong retention suggesting impact is recognised by partners in many sectors and geographies. This membership base allows us to initiate more and more work which is in the public good. We have a highly motivated and high-performing staff responsive to the needs of the global digital preservation community and accountable to them through membership.

The DPC has only limited fundraising targets, which were largely associated with the Digital Preservation Awards presented in September 2022. A full report will follow next year however the income targets for external sponsorship (£20,000) was achieved with income realised between the 2021-22 and 2022-3 financial years.

DPC has no investment other than reserves deposited with the bank and which benefit from interest. These have performed as expected, even if from an historical perspective low interest rates mean the overall return on investment has been small.

### **Financial review**

The DPC reported income in the financial year of £734,765 and expenditure of £638,589, resulting in a Surplus for the year of £96,176. This is a reduction from the previous year due to the reduction in project income and increase in staffing and consultancy costs. However, this remained with our projected surplus in regard to keeping a contingency in place of 10% of expenditure. The level of Net Assets at 31 July 2022 was £518,194, with £9,039 held in Designated Funds, and £509,155 held in General Funds.

### **Going Concern**

The DPC maintain a rolling 5-year financial forecast which includes a projection for the 12 months following the signing of the accounts. This forecast is updated quarterly at every Board meeting with marginal corrections and adjustments.

### **Reserves Policy**

The cash reserve is based on 4 months operating costs and is supplemented by a 10% contingency of expenditure in the coming year.

### **Sources of funding**

The majority of the DPC's income is generated through membership income. This income is supplemented by project income, consultancy work, supporter income and sponsorship.

The financial year end coincided with iPres 2022 (12-16th September), a global conference which the DPC hosted to celebrate its 20th anniversary, which also incorporated the presentation of the biennial Digital Preservation Awards. Both have required significant income and expenditure, therefore significant financial risk. However early indications suggest that the program will report a modest surplus which will be allocated to staff costs. This is the result of meticulous financial management along with the evident success of the conference in attracting delegates.

### **Risk**

The main income risk is to membership: a significant drop in membership would impair income significantly. In addition to more environmental assessments of risks, the DPC encourage a default membership over three years, so meaning we have early notice of any members not wishing to renew; and a three month notice period to leave the coalition too. The main expenditure risks are staff related, as the largest single expense. Staff are appointed on predictable contracts modelled on the national settlement for higher education and any increments or increases are fixed early in the year.

### **Forward risks or uncertainties**

The DPC does not foresee any significant uncertainties but maintain a careful watch on inflation as a potential significant risk. The majority of DPC expenditure relates to staff costs and these are largely predictable and settled early in the financial year.

# DIGITAL PRESERVATION COALITION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

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### Plans for future periods

#### Future Aims and Objectives

The DPC starts the new year with a renewed strategic plan which updates and refines our activities and structures in the coming years. Our new vision emphasizes the importance of community to our work: the Digital Preservation Coalition is building a welcoming and inclusive global community, working together to bring about a sustainable future for our digital assets.

This strategic plan starts on 1st August 2022 and runs for 5 years to 31st of July 2027. It is a live document and is always subject to review by members especially through the Representative Council. The Representative Council will explicitly review the plan after three years (August-December 2025) at which point it may recommend the plan be extended or amended.

We will enable our members to deliver resilient, sustainable and useful long-term access to digital content and services, helping them to access and use digital materials beyond the limits of technical obsolescence, media degradation and organizational change. We raise awareness of the strategic, cultural and technological challenges which our members face, independent of the interests of solution providers, and we encourage collaboration for mutual benefit and the greater good. We sustain and deliver these aims through advocacy, community engagement, workforce development, good practice and good governance. These actions create, empower, structure and extend a global community, working together for a sustainable digital legacy. This ambition for the greater good underpins our charitable purpose.

#### Direction of Travel

By the end of this planning period the digital preservation community, our members in particular, will have progressed to greater maturity in their digital preservation capability, in part through better awareness among policy makers of the digital preservation challenge, in part by having access to more resources as well as more flexible and skilled workforces, and in part by close observation of emerging trends in technology. They will also benefit from enhanced collaboration across a growing and more diverse digital preservation community.

#### Trustees' Perspective on the Future

The DPC's founding manifesto identified it as the consequence and locus of concerted action among members to address shared digital preservation challenges. Our story has been defined by the challenges our members have faced as well as the value they have derived from collaboration. DPC will continue to be the outcome and locus for such concerted action, so long as this is required.

2022 is the twentieth anniversary of the DPC. We mark this milestone by inviting participation of the global digital preservation community to iPres – a global event that will allow us to describe, disseminate and celebrate their achievements during the DPC's two decades, and which looks to the future of their changing needs. The strategic plan will be launched at this same event.

The DPC is in the process of becoming a global foundation and needs to develop the infrastructure that this requires. This work will continue. Digital preservation is a global challenge that is most effectively met by a community scaled to the challenge. The DPC will grow and change as a result of meeting this goal.

At the start of this planning period, the DPC is aware of the many challenges that inhibit access to participation in our programs. By 2028 we will have taken all reasonable steps to address the barriers that we know prevent engagement and strive to anticipate and address barriers before they arise. In this way we will be recognized as a welcoming and inclusive community with opportunities and routes for all who wish to engage. At present, the DPC is still largely monolingual: by 2028 the DPC will have extended its multi-lingual offerings, underlining our practical action to claim the identity as an inclusive global foundation with a robust infrastructure to match.

At the start of this planning period, the DPC is aware of the environmental impacts of our work. By 2028 we will have scoped the full range of environmental impacts that arise, and so changed our working patterns such that, even as we grow, we can understand and demonstrate a claim to environmental sustainability.

# DIGITAL PRESERVATION COALITION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

### FOR THE YEAR ENDED 31 JULY 2022

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As our members continue to progress to greater maturity in their digital preservation capability the DPC will evolve to sustain core elements and institutions of the social infrastructure of the digital preservation community globally. The DPC will be the partner of first choice in dissemination and community validation for all new standards and technology in digital preservation. DPC guidance will inform product selection and procurement, impacting on vendor and institutional roadmaps.

By 2032, DPC infrastructure will manage and sustain core standards in digital preservation. It will become an indispensable partner for long-term thinking about digital infrastructures with respect to public policy and regulated industries. The DPC's voice will extend from our current base in memory institutions and research to inform professional practice in diverse sectors such as law, accountancy, architecture and engineering, and any other area where digital resources have a long lifecycle. Technology vendors will know the DPC and consult in the development of product roadmaps, and the DPC will be a trusted advisor in relevant matters pertaining to cybersecurity.

#### **Structure, governance and management**

The DPC operates under Memorandum and Articles of Association which were comprehensively revised in 2017, implemented on 1st January 2018 and subject to minor revisions in September 2020. The DPC is incorporated as a limited company, registered in England and Wales (04492292).

Trustees operate under a person specification which outlines their duties. New trustees are provided with an induction pack and offered an introductory meeting with the Executive Director and the Chair.

Dr W Kilbride

Dr J Bicarregui

Mr K G Ashley

Mr P L S Stokes

Mr S Tucker

(Resigned 24 March 2022)

Mr J Sheridan

Mr T L Pham

Ms R M Maurer

Ms K Murray

Mr T Keefe

Ms S Corrigall

Mr S Lewis

(Resigned 1 August 2021)

Ms E Halvarsson

(Appointed 24 March 2022)

Mr L Johnston

(Appointed 24 March 2022)

#### **Recruitment and appointment of trustees**

The appointment of trustees is specified within the Articles of Association. The Chair and Vice Chair are elected annually at the AGM by the whole of the DPC membership, and the Executive Director appointed by the Board. Other directors are subject to a rotation with a term of not more than 6 years. New trustees are nominated from the DPC's Representative Council by the Chair, Vice Chair and Executive Director after an advertisement. They are then appointed by resolution of the Executive Board. Normally Trustees are employees of member agencies but are required to act only in the interests of the DPC and are required to complete a declaration of interests annually.

# DIGITAL PRESERVATION COALITION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

*FOR THE YEAR ENDED 31 JULY 2022*

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### **Board**

The Executive Board consists of the Chair, Vice Chair, Executive Director and Finance Director with a 8 non-Executive Directors appointed from the Full Members on annual rotation. The Executive Board meets quarterly s responsible for core corporate governance and legalities including finances, regulatory compliance, staffing and membership.

The Representative Council consists of the Chair, Vice Chair, Executive Director and representatives of every Full Member. The Council is responsible for the Strategic Plan and transparency of programmes. The Council meets quarterly and makes recommendations to the Executive Board. Members nominated to the Executive Board in January each year.

The DPC holds an Annual General Meeting for all members and associates. The AGM receives and approves the annual report and elects the Chair and Vice Chair and is empowered to amend Articles of Association.

The DPC has thematic sub-committees covering; Advocacy and Community Engagement; Workforce Development and Skills; Research and Practice; Accountability, Sustainability and Dynamism; Australasia and Asia Pacific Stakeholders.

### **Management**

All new members applications require a majority of Trustees to approve and budgets are approved annually. Day to day operations are delegated to the Executive Director and onwards to staff.

### **Remuneration**

DPC was initially founded from within an institute of higher education. Although long since, the structures of higher education still provide the basis for staffing policies which are contained in a staff handbook which has been updated annually since adopted in 2014. Staff are employed with salary and remuneration policy based on the National Pay Agreement for Higher Education, as implemented at Glasgow University and subject to annual cost of living increases. Staff are also entitled to an annual performance review and increments and advancement in line with policies at Glasgow University. A senior member of Glasgow University staff chairs the DPC's independent Staffing Committee.

### **Related Parties**

DPC has relations with organizations around the world who are our members. They have voting rights at the AGM as well as the right to appoint to our Representative Council and Sub-Committees. A full list of members is available here: <https://www.dpconline.org/about/members>

# DIGITAL PRESERVATION COALITION

## TRUSTEES' REPORT (INCLUDING DIRECTORS' REPORT) (CONTINUED)

**FOR THE YEAR ENDED 31 JULY 2022**

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### **Statement of Trustees' responsibilities**

The Trustees, who are also the directors of Digital Preservation Coalition for the purpose of company law, are responsible for preparing the Trustees' Report and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

Company Law requires the Trustees to prepare financial statements for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources, including the income and expenditure, of the charitable company for that year.

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 FRS102;
- 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 adequate 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 Companies Act 2006. 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.

### **Auditor**

In accordance with the company's articles, a resolution proposing that Alexander Sloan be reappointed as auditor of the charitable company will be put to the Annual General Meeting.

### **Disclosure of information to auditor**

Each of the Trustees has confirmed that there is no information of which they are aware which is relevant to the audit, but of which the auditor is unaware. They have further confirmed that they have taken appropriate steps to identify such relevant information and to establish that the auditor is aware of such information.

The Trustees' report was approved by the Board of Trustees.

Dr W Kilbride  
**Trustee**

5 December 2022

# DIGITAL PRESERVATION COALITION

## INDEPENDENT AUDITOR'S REPORT

### TO THE MEMBERS AND TRUSTEES OF DIGITAL PRESERVATION COALITION

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#### Opinion

We have audited the financial statements of Digital Preservation Coalition (the 'charity') for the year ended 31 July 2022 which comprise the statement of financial activities, the balance sheet, the statement of cash flows and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 *The Financial Reporting Standard applicable in the UK and Republic of Ireland* (United Kingdom Generally Accepted Accounting Practice).

In our opinion, the financial statements:

- give a true and fair view of the state of the charitable company's affairs as at 31 July 2022 and of its incoming resources and application of resources, including its income and expenditure, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Companies Act 2006, the Charities and Trustee Investment (Scotland) Act 2005 and regulation 8 of the Charities Accounts (Scotland) Regulations 2006 (as amended).

#### Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the *Auditor's responsibilities for the audit of the financial statements* section of our report. We are independent of the charity in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard, and the provisions available for small entities, in the circumstances set out in note 20 to the financial statements, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Conclusions relating to going concern

In auditing the financial statements, we have concluded that the Trustees' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the charity's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the Trustees with respect to going concern are described in the relevant sections of this report.

#### Other information

The other information comprises the information included in the annual report other than the financial statements and our auditor's report thereon. The Trustees are responsible for the other information contained within the annual report. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon. Our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the course of the audit, or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact.

We have nothing to report in this regard.

# DIGITAL PRESERVATION COALITION

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS AND TRUSTEES OF DIGITAL PRESERVATION COALITION

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#### **Opinions on other matters prescribed by the Companies Act 2006**

In our opinion, based on the work undertaken in the course of our audit:

- the information given in the Trustees' report for the financial year for which the financial statements are prepared, which includes the directors' report prepared for the purposes of company law, is consistent with the financial statements; and
- the directors' report included within the Trustees' report has been prepared in accordance with applicable legal requirements.

#### **Matters on which we are required to report by exception**

In the light of the knowledge and understanding of the charity and its environment obtained in the course of the audit, we have not identified material misstatements in the directors' report included within the Trustees' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act 2006 and the Charities Accounts (Scotland) Regulations 2006 (as amended) requires us to report to you if, in our opinion:

- adequate and proper accounting records have not been kept, or returns adequate for our audit have not been received from branches not visited by us; or
- the financial statements are not in agreement with the accounting records and returns; or
- certain disclosures of trustees' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit; or
- the Trustees were not entitled to prepare the financial statements in accordance with the small companies regime and take advantage of the small companies' exemptions in preparing the Trustees' report and from the requirement to prepare a strategic report.

#### **Responsibilities of Trustees**

As explained more fully in the statement of Trustees' responsibilities, the Trustees, who are also the directors of the charity for the purpose of company law, are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the Trustees determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error. In preparing the financial statements, the Trustees are responsible for assessing the charity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Trustees either intend to liquidate the charitable company or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the financial statements**

We have been appointed as auditor under Chapter 3 of Part 16 of the Companies Act 2006 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005 and report in accordance with the Acts and relevant regulations made or having effect thereunder.

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

The extent to which our procedures are capable of detecting irregularities, including fraud, is detailed below.

# DIGITAL PRESERVATION COALITION

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS AND TRUSTEES OF DIGITAL PRESERVATION COALITION

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#### **Extent to which the audit was considered capable of detecting irregularities, including fraud**

Our approach to identifying and assessing the risks of material misstatement in respect of irregularities, including fraud and non-compliance with laws and regulations, was as follows:

- the engagement partner ensured that the engagement team collectively had the appropriate competence, capabilities and skills to identify or recognise non-compliance with applicable laws and regulations;
- we identified the laws and regulations applicable to the charity through discussions with Directors and other management, and from our wider knowledge and experience of the charity sector;
- we focused on specific laws and regulations which we considered may have a direct material effect on the financial statements or the operations of the charitable company, including the Companies Act 2006, Charities SORP (FRS 102) and the Charities and Trustee Investment (Scotland) Act 2005 and the Charities Accounts (Scotland) Regulations 2006 (as amended).
- we assessed the extent of compliance with the laws and regulations identified above through making enquiries of management and inspecting legal correspondence; and
- identified laws and regulations were communicated within the audit team regularly and the team remained alert to instances of non-compliance throughout the audit.

We assessed the susceptibility of the charitable company's financial statements to material misstatement, including obtaining an understanding of how fraud might occur, by:

- making enquiries of management as to where they considered there was susceptibility to fraud, their knowledge of actual, suspected and alleged fraud; and
- considering the internal controls in place to mitigate risks of fraud and non-compliance with laws and regulations

#### **Audit response to risks identified**

To address the risk of fraud through management bias and override of controls, we:

- performed analytical procedures to identify any unusual or unexpected relationships;
- tested journal entries to identify unusual transactions;
- assessed whether judgements and assumptions made in determining the accounting estimates set out in Note 2 were indicative of potential bias; and
- investigated the rationale behind significant or unusual transactions.

In response to the risk of irregularities and non-compliance with laws and regulations, we designed procedures which included, but were not limited to:

- agreeing financial statement disclosures to underlying supporting documentation;
- reading the minutes of meetings of those charged with governance;
- enquiring of management as to actual and potential litigation and claims;
- requesting correspondence with HMRC, OSCR and the charity's legal advisors; and
- reviewed unadjusted errors for indications of fraud and information received for inconsistencies.

There are inherent limitations in our audit procedures described above. The more removed that laws and regulations are from financial transactions, the less likely it is that we would become aware of non-compliance. Auditing standards also limit the audit procedures required to identify non-compliance with laws and regulations to enquiry of the Directors and other management and the inspection of regulatory and legal correspondence, if any.

Material misstatements that arise due to fraud can be harder to detect than those that arise from error as they may involve deliberate concealment or collusion.

A further description of our responsibilities is available on the Financial Reporting Council's website at: <https://www.frc.org.uk/auditorsresponsibilities>. This description forms part of our auditor's report.

# DIGITAL PRESERVATION COALITION

## INDEPENDENT AUDITOR'S REPORT (CONTINUED)

### TO THE MEMBERS AND TRUSTEES OF DIGITAL PRESERVATION COALITION

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#### **Other matters**

The charitable company reported its audited financial results in the financial year to 31 July 2021 as a non-charitable limited company. The comparative figures in the financial statements to 31 July 2022 are reclassified to comply with Charities SORP FRS102. There are no changes to accounting treatment that have resulted in adjustments to the opening balances.

#### **Use of our report**

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 and to the charity's trustees, as a body, in accordance with regulation 10 of the Charities Accounts (Scotland) Regulations 2006. Our audit work has been undertaken so that we might state to the charitable company's members and trustees 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, the charitable company's members as a body, and the charitable company's trustees as a body, for our audit work, for this report, or for the opinions we have formed.

**David Jeffcoat (Senior Statutory Auditor)**  
for and on behalf of Alexander Sloan

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**Accountants and Business Advisers**  
**Statutory Auditor**

180 St Vincent Street  
Glasgow  
G2 5SG

# DIGITAL PRESERVATION COALITION

## STATEMENT OF FINANCIAL ACTIVITIES INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2022

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### Current financial year

		Unrestricted funds general 2022 £	Unrestricted funds designated 2022 £	Total 2022 £	Total 2021 £
	Notes				
<b>Income from:</b>					
Income from charitable activities	3	724,765	-	724,765	736,776
Other trading activities	4	10,000	-	10,000	25,467
Investments	5	-	-	-	740
<b>Total income</b>		<u>734,765</u>	<u>-</u>	<u>734,765</u>	<u>762,983</u>
<b>Expenditure on:</b>					
Cost of charitable activities	6	<u>638,589</u>	<u>-</u>	<u>638,589</u>	<u>580,344</u>
<b>Net income for the year/ Net movement in funds</b>		96,176	-	96,176	182,639
Fund balances at 1 August 2021		<u>412,979</u>	<u>9,039</u>	<u>422,018</u>	<u>239,379</u>
<b>Fund balances at 31 July 2022</b>		<u><u>509,155</u></u>	<u><u>9,039</u></u>	<u><u>518,194</u></u>	<u><u>422,018</u></u>

The statement of financial activities includes all gains and losses recognised in the year.

All income and expenditure derive from continuing activities.

The statement of financial activities also complies with the requirements for an income and expenditure account under the Companies Act 2006.

The notes on pages 21 to 29 form part of these financial statements.

# DIGITAL PRESERVATION COALITION

## STATEMENT OF FINANCIAL ACTIVITIES (CONTINUED) INCLUDING INCOME AND EXPENDITURE ACCOUNT

FOR THE YEAR ENDED 31 JULY 2022

Prior financial year

		Unrestricted funds general 2021 £	Unrestricted funds designated 2021 £	Total 2021 £
	Notes			
<b>Income from:</b>				
Income from charitable activities	3	736,776	-	736,776
Other trading activities	4	25,467	-	25,467
Investments	5	740	-	740
		<hr/>	<hr/>	<hr/>
<b>Total income</b>		762,983	-	762,983
		<hr/>	<hr/>	<hr/>
<b>Expenditure on:</b>				
Cost of charitable activities	6	580,344	-	580,344
		<hr/>	<hr/>	<hr/>
<b>Net income for the year/ Net movement in funds</b>		182,639	-	182,639
		<hr/>	<hr/>	<hr/>
Fund balances at 1 August 2020		230,340	9,039	239,379
		<hr/>	<hr/>	<hr/>
<b>Fund balances at 31 July 2021</b>		412,979	9,039	422,018
		<hr/> <hr/>	<hr/> <hr/>	<hr/> <hr/>

# DIGITAL PRESERVATION COALITION

## BALANCE SHEET

AS AT 31 JULY 2022

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	Notes	2022 £	£	2021 £	£
<b>Fixed assets</b>					
Tangible assets	10		5,178		1,872
<b>Current assets</b>					
Debtors	11	347,688		114,698	
Cash at bank and in hand		349,975		414,018	
		<u>697,663</u>		<u>528,716</u>	
<b>Creditors: amounts falling due within one year</b>	12	<u>(184,647)</u>		<u>(108,570)</u>	
Net current assets			513,016		420,146
<b>Total assets less current liabilities</b>			<u>518,194</u>		<u>422,018</u>
<b>Income funds</b>					
Unrestricted funds - designated	14		9,039		9,039
Unrestricted funds - general			509,155		412,979
			<u>518,194</u>		<u>422,018</u>

The notes on pages 21 to 29 form part of these financial statements.

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

The financial statements were approved by the Trustees on 5 December 2022

Dr W Kilbride  
Trustee

Company registration number 04492292

# DIGITAL PRESERVATION COALITION

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 JULY 2022

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	Notes	2022 £	£	2021 £	£
<b>Cash flows from operating activities</b>					
Cash (absorbed by)/generated from operations	18		(57,056)		33,481
<b>Investing activities</b>					
Purchase of tangible fixed assets		(6,987)		(1,172)	
Investment income received		-		740	
<b>Net cash used in investing activities</b>			(6,987)		(432)
<b>Net cash used in financing activities</b>			-		-
<b>Net (decrease)/increase in cash and cash equivalents</b>			(64,043)		33,049
Cash and cash equivalents at beginning of year			414,018		380,969
<b>Cash and cash equivalents at end of year</b>			349,975		414,018

The notes on pages 21 to 29 form part of these financial statements.

# DIGITAL PRESERVATION COALITION

## NOTES TO THE FINANCIAL STATEMENTS

### FOR THE YEAR ENDED 31 JULY 2022

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#### 1 Accounting policies

##### Charity information

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

#### 1.1 Accounting convention

The financial statements have been prepared in accordance with the charity's [governing document], the Charities and Trustee Investment (Scotland) Act 2005, the Charities Accounts (Scotland) Regulations 2006 (as amended), FRS 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" ("FRS 102") and the Charities SORP "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)" (effective 1 January 2019). The charity is a Public Benefit Entity as defined by FRS 102.

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

The financial statements have been prepared under the historical cost convention. The principal accounting policies adopted are set out below.

#### 1.2 Going concern

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

#### 1.3 Charitable funds

Unrestricted funds are available for use at the discretion of the Trustees in furtherance of their charitable objectives.

Designated funds comprise funds which have been set aside at the discretion of the Trustees for specific purposes. The purposes and uses of the designated funds are set out in the notes to the financial statements.

Restricted funds are subject to specific conditions by donors as to how they may be used. The purposes and uses of the restricted funds are set out in the notes to the financial statements.

Endowment funds are subject to specific conditions by donors that the capital must be maintained by the charity.

#### 1.4 Income

Income is recognised when the charity is legally entitled to it after any performance conditions have been met, the amounts can be measured reliably, and it is probable that income will be received.

Cash donations are recognised on receipt. Other donations are recognised once the charity has been notified of the donation, unless performance conditions require deferral of the amount. Income tax recoverable in relation to donations received under Gift Aid or deeds of covenant is recognised at the time of the donation.

Legacies are recognised on receipt or otherwise if the charity has been notified of an impending distribution, the amount is known, and receipt is expected. If the amount is not known, the legacy is treated as a contingent asset.

Income from charitable activities includes income earned both from the supply of goods or services under contractual arrangements and from performance-related grants which have conditions that specify the provision of particular goods or services to be provided by the charity. Income from charitable activities is recognised as earned (as the related goods or services are provided).

# DIGITAL PRESERVATION COALITION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

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### 1 Accounting policies

(Continued)

#### 1.5 Expenditure

Expenditure is recognised once there is a legal or constructive obligation to transfer economic benefit to a third party, it is probable that a transfer of economic benefits will be required in settlement, and the amount of the obligation can be measured reliably.

#### Activity based reporting

To comply fully with the Statement of Recommended Practice would require income and expenditure to be reported by activity. The Trustees are of the opinion that the activities of the charity are inter-linked, therefore this would be impractical to calculate and would provide no additional benefit to the users of these financial statements. Therefore no further analysis of income and expenditure is provided within these financial statements.

#### 1.6 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:

Computers	33.33% straight line
Office equipment	20% straight line

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 recognised in the statement of financial activities.

#### 1.7 Impairment of fixed assets

At each reporting end date, the charity 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).

#### 1.8 Cash and cash equivalents

Cash and cash equivalents 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.

#### 1.9 Financial instruments

The charity 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 charity's balance sheet when the charity 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 2022

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### 1 Accounting policies

(Continued)

#### **Basic financial liabilities**

Basic financial liabilities, including creditors and bank loans 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 operations 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.

#### **Derecognition of financial liabilities**

Financial liabilities are derecognised when the charity's contractual obligations expire or are discharged or cancelled.

#### 1.10 Employee benefits

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 charity is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

#### 1.11 Retirement benefits

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

### 2 Critical accounting estimates and judgements

In the application of the charity's accounting policies, the Trustees 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 2022

### 3 Income from charitable activities

	<b>Total 2022 £</b>	<b>Total 2021 £</b>
Subscriptions	583,757	534,842
Partnership and Sustainability Fund	-	(18,688)
Member funded consultancy	-	43,315
Project income	98,081	144,750
Events income	2,657	1,967
Sundry income	270	590
Supporter income	40,000	30,000
	<u>724,765</u>	<u>736,776</u>

### 4 Other trading activities

	<b>Unrestricted funds general 2022 £</b>	<b>Unrestricted funds general 2021 £</b>
Fundraising events	10,000	25,467

### 5 Investments

	<b>Total 2022 £</b>	<b>Unrestricted funds general 2021 £</b>
Interest receivable	-	740

# DIGITAL PRESERVATION COALITION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

### 6 Cost of charitable activities

	<b>Total 2022 £</b>	<b>Total 2021 £</b>
Staff costs	484,989	454,918
Depreciation and impairment	3,681	3,718
Project and activities costs	56,246	65,694
Premises costs	12,723	10,326
Running costs	10,660	20,948
Motor and travel costs	7,430	2,788
Legal and professional	53,896	15,216
Accountancy costs	512	-
Interest and finance charges	717	1,393
Governance costs	7,735	5,343
	<u>638,589</u>	<u>580,344</u>
	<u>638,589</u>	<u>580,344</u>

### 7 Trustees

One Trustee of the charity receives remuneration for services as the Executive Director and not for the role of Trustee. The salary for the year ended 31 July 2022 was £64,737 (2021: £62,485) and employer pension contributions £21,227 (2021: £19,883).

### 8 Employees

The average monthly number of employees during the year was:

	<b>2022 Number</b>	<b>2021 Number</b>
Total	<u>9</u>	<u>9</u>

  

	<b>2022 £</b>	<b>2021 £</b>
Employment costs		
Wages and salaries	352,727	334,920
Social security costs	38,936	35,127
Other pension costs	93,326	84,871
	<u>484,989</u>	<u>454,918</u>

The aggregate compensation relating to Key Management Personnel, comprising wages and employer's contributions to national insurance and pensions was £353,774 (2021: £333,212).

# DIGITAL PRESERVATION COALITION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 JULY 2022

#### 8 Employees (Continued)

The number of employees whose annual remuneration was more than £60,000 is as follows:

	2022 Number	2021 Number
£60,000 - £70,000	1	1

#### 9 Net income/(expenditure) for the year

	2022 £	2021 £
Operating for the year is stated after charging:		
Fees payable to the company's auditor for the audit of the company's financial statements	7,735	5,343
Depreciation of owned tangible fixed assets	3,681	3,718

#### 10 Tangible fixed assets

	Computers £	Office equipment £	Total £
<b>Cost</b>			
At 1 August 2021	25,563	4,264	29,827
Additions	6,987	-	6,987
At 31 July 2022	32,550	4,264	36,814
<b>Depreciation and impairment</b>			
At 1 August 2021	23,872	4,083	27,955
Depreciation charged in the year	3,571	110	3,681
At 31 July 2022	27,443	4,193	31,636
<b>Carrying amount</b>			
At 31 July 2022	5,107	71	5,178
At 31 July 2021	1,691	181	1,872

#### 11 Debtors

	2022 £	2021 £
<b>Amounts falling due within one year:</b>		
Trade debtors	297,873	97,679
Other debtors	659	659
Prepayments and accrued income	49,156	16,360
	347,688	114,698

# DIGITAL PRESERVATION COALITION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED) FOR THE YEAR ENDED 31 JULY 2022

### 12 Creditors: amounts falling due within one year

	Notes	2022 £	2021 £
Other taxation and social security		43,224	20,367
Deferred income	13	100,345	53,691
Trade creditors		315	-
Other creditors		8,653	6,742
Accruals		32,110	27,770
		<u>184,647</u>	<u>108,570</u>

### 13 Deferred income

	2022 £	2021 £
Other deferred income	<u>100,345</u>	<u>53,691</u>

Deferred income is included in the financial statements as follows:

	2022 £	2021 £
Deferred income is included within:		
Current liabilities	<u>100,345</u>	<u>53,691</u>
Movements in the year:		
Deferred income at 1 August 2021	53,691	127,709
Released from previous periods	(53,691)	(127,709)
Resources deferred in the year	<u>100,345</u>	<u>53,691</u>
Deferred income at 31 July 2022	<u>100,345</u>	<u>53,691</u>

### 14 Unrestricted funds - designated

These are unrestricted funds which are material to the charity's activities made up as follows:

	Balance at 1 August 2020 £	Movement in funds Incoming resources £	Balance at 1 August 2021 £	Movement in funds Incoming resources £	Balance at 31 July 2022 £
Designated Supporters Fund	<u>9,039</u>	<u>-</u>	<u>9,039</u>	<u>-</u>	<u>9,039</u>

#### Purposes of Funds

##### Designated Supporters Fund

The fund is set aside to assist members that may need some support.

# DIGITAL PRESERVATION COALITION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

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14 Unrestricted funds - designated

(Continued)

15 Analysis of net assets between funds

	Unrestricted funds 2022 £	Designated funds 2022 £	Total 2022 £	Unrestricted funds 2021 £	Designated funds 2021 £	Total 2021 £
Fund balances at 31 July 2022 are represented by:						
Tangible assets	5,178	-	5,178	1,872	-	1,872
Current assets/(liabilities)	503,977	9,039	513,016	411,107	9,039	420,146
	<u>509,155</u>	<u>9,039</u>	<u>518,194</u>	<u>412,979</u>	<u>9,039</u>	<u>422,018</u>

# DIGITAL PRESERVATION COALITION

## NOTES TO THE FINANCIAL STATEMENTS (CONTINUED)

### FOR THE YEAR ENDED 31 JULY 2022

#### 16 Operating lease commitments

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

	2022 £	2021 £
Within one year	6,144	-
Between two and five years	9,216	-
	<u>15,360</u>	<u>-</u>

#### 17 Related party transactions

There were no disclosable related party transactions during the year (2021 - none).

#### 18 Cash generated from operations

	2022 £	2021 £
Surplus for the year	96,176	182,639
Adjustments for:		
Investment income recognised in statement of financial activities	-	(740)
Depreciation and impairment of tangible fixed assets	3,681	3,718
Movements in working capital:		
(Increase) in debtors	(232,990)	(77,553)
Increase/(decrease) in creditors	29,423	(424)
Increase/(decrease) in deferred income	46,654	(74,018)
<b>Cash (absorbed by)/generated from operations</b>	<u>(57,056)</u>	<u>33,622</u>

#### 19 Analysis of changes in net funds

The charity had no debt during the year.

#### 20 Non-audit services provided by auditor

In common with many organisations of our size and nature we use our auditor to assist with the preparation of the financial statements.

**The following pages do not form part of the statutory accounts**

# DIGITAL PRESERVATION COALITION

## DETAILED TRADING AND PROFIT AND LOSS ACCOUNT

FOR THE YEAR ENDED 31 JULY 2022

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	£	2022 £	£	2021 £
<b><u>Income from charitable activities</u></b>				
Subscriptions	583,757		534,842	
Partnership and Sustainability Fund	-		(18,688)	
Member funded consultancy	-		43,315	
Project income	98,081		144,750	
Events income	2,657		1,967	
Sundry income	270		590	
Commercial Supporters	40,000		30,000	
		724,765		736,776
<b><u>Income from trading activities</u></b>				
UF Fundraising events	10,000		25,467	
		10,000		25,467
<b><u>Investment income</u></b>				
UF Other interest receivable operating	-		740	
		-		740
<b>Total income</b>		734,765		762,983
<b>Total expenditure</b>		(638,589)		(580,344)
<b>Net surplus for the year</b>		96,176		182,639

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# DIGITAL PRESERVATION COALITION

## DETAILED TRADING AND PROFIT AND LOSS ACCOUNT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

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	£	2022 £	£	2021 £
<b><u>Charitable activities</u></b>				
<b><u>Staff costs</u></b>				
Wages and salaries (use database for trustees)	352,727		334,920	
Social security costs	38,936		35,127	
Staff pension costs defined contribution	93,326		84,871	
		484,989		454,918
<b><u>Depreciation</u></b>				
Depreciation	3,681		3,718	
		3,681		3,718
<b><u>Projects and activities</u></b>				
Australian staff and office costs	37,504		36,581	
Conference attendance	866		130	
Events costs	4,637		11,672	
Leadership Programme	12,739		10,158	
Externally funded project costs	500		7,153	
		56,246		65,694
<b><u>Premises costs</u></b>				
Rent	11,491		8,972	
Insurance	1,232		1,354	
		12,723		10,326
<b><u>Running costs</u></b>				
Printing, postage and stationery	3,109		18,120	
Computer, website and IT costs	5,198		-	
Training costs	720		1,678	
General expenses	598		1,181	
Materials	151		-	
Foreign exchange loss / (gain)	884		(31)	
		10,660		20,948
<b><u>Motor and travel costs</u></b>				
Travel and subsistence	7,430		2,788	
		7,430		2,788
<b><u>Legal and professional</u></b>				
Legal fees	19,794		15,216	
Consultancy fees	34,102		-	
		53,896		15,216
<b><u>Accountancy fees</u></b>				
Payroll fees	512		-	
		512		-

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# DIGITAL PRESERVATION COALITION

## DETAILED TRADING AND PROFIT AND LOSS ACCOUNT (CONTINUED)

FOR THE YEAR ENDED 31 JULY 2022

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	£	2022 £	£	2021 £
<u>Interest and finance charges</u>				
Bank charges	717		1,252	
Corporation Tax	-		141	
	-----	717	-----	1,393
<u>Governance costs</u>				
Audit fees	7,735		5,343	
	-----	7,735	-----	5,343
<b>Total charitable activities expenditure</b>		638,589		580,344
		=====		=====
<b>Total expenditure</b>		638,589		580,344
		=====		=====

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