

Treasurer's Report 2021

1. Bank changes

2. 2020: Finance Report

- 2.1. CENL Foundation 1 account - Cash at bank and reserve
- 2.2. CENL Foundation 1 account - Final budget
- 2.3. CENL Foundation 2 account - Cash at bank and reserve
- 2.4. Audit and financial statements for 2020

3. 2021: CENL budget to end of September 2021

- 3.1. CENL Foundation 1 account - Cash at bank and reserve
- 3.2. CENL Foundation 1 account - Updated budget

4. 2022: Proposed budget for voting

1. Bank changes

In October 2020, the CENL Secretariat was notified that, due to the lack of a deal between the United Kingdom and the European Union in relation to the UK’s exit of the EU, Lloyds Bank would close all bank accounts held by organisations which are registered in the EU and not the UK. The deadline given for the transfer of all funds was 10 December 2020. After extensive research into alternatives, the CENL Secretariat found a solution and opened a new bank account with ING in the Netherlands.

As part of the negotiation with Lloyds Bank CENL agreed to merge all its accounts into one Euro account, and to close its sterling and CENL 2 account. This was agreed with the CENL Treasurer. The funds which were held in the CENL 2 account as a risk mitigation measure in relation to a possible unemployment payment are now earmarked in the CENL account 1 reports. The risk diminishes every year and will be fully obsolete in October 2022.

2. 2020: Finance Report

2.1 CENL Foundation 1 account - Cash at bank and reserve for 2020

CENL account 1	Bank Balance	Notes
Opening bank balance as at 01.01.2020	674 712.60 €	As on bank statement
ADD Income	209 633.65 €	See details on next page
LESS Expenses	108 340.47 €	See details on next page
Bank balance as at 31.12.2020	776 005.78 €	As on bank statement

2.2 CENL Foundation 1 account - Final budget for 2020

CENL budget 2020 (agreed at 2019 AGM)	CENL budget 2020 (agreed at 2019 AGM)	Revised CENL budget 2020 (agreed via Email by EC)	Income and expenses for 31 Dec 2020	Balance at 31 Dec 2020	Notes	Details
TOTAL INCOME						
CENL membership	116 500 €	116 500 €	112 750 €	3 750 €	1	See notes for details
Transfer from CENL 2 account	23 390 €	23 390 €	96 883.65 €	73 493.65 €	2	See notes for details
EKN 2019 Funds carried over	10 000 €	10 000 €	10 000 €	- €	3	See notes for details
Expenses						
Financial support for AGM	9 000 €	9 000 €	- €	9 000 €		
Travel costs for speakers	4 000 €	4 000 €	1 693.05 €	2 306.95 €	4	See notes for details
Skills and Knowledge Exchange						
• Bursary programme	20 000 €	10 000 €	800.91 €	9 199.09 €	5	See notes for details
• Covid-19 Support Fund		10 000 €	8 949.40 €	1 050.60 €		See note 5 for details
• CENL working groups	15 000 €	15 000 €	3 238 €	11 762 €		
Erland Kolding Nielsen Grant	25 000 €	15 000 €	9 000 €	6 000 €	6	See note for details
Hidden Stories Fund		10 000 €	2 000 €	8 000 €		See note 6 for details
CENL website						
• Maintenance costs	5 000 €	5 000 €	5 784.70 €	- 784.70 €	7	See note for details
• Content	9 500 €	9 500 €	12 972.63 €	- 3 472.63 €		
Banking costs	1 290 €	1 290 €	363.48 €	926.52 €	8	See notes for details
Audit and legal costs	6 600 €	6 600 €	9 489 €	- 2 889 €	9	See notes for details
CENL Secretariat	52 000 €	52 000 €	52 000 €	- €		
Other office costs	2 500 €	2 500 €	2 049.30 €	450.70 €	10	See notes for details
TOTAL EXPENSES	149 890 €	149 890 €	108 340.47 €	41 549.53 €		

Notes on final budget for CENL Foundation 1 account for 2020

- 1 A. Income from Membership for 2020 total €111,500 and compromise of:
 Membership fees for 2020 were received from 46 members as follow: Albania, Armenia, Austria, Azerbaijan, Belgium, Bosnia & Herzegovina, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, Estonia, Finland, France, Georgia, Germany, Greece, Hungary, Iceland, Ireland, Italy (Florence), Italy (Rome), Latvia, Liechtenstein, Lithuania, Luxembourg, Macedonia, Malta, Moldova, Montenegro, Netherlands, Norway, Poland, Portugal, Romania, Russia (BYPL), Russia (Moscow), Russia (St P), Serbia, Slovakia, Slovenia, Sweden, Switzerland, Ukraine, UK and Vatican.

 B. Income from Membership for 2019 total €1,250 and compromise of:
 A late membership fee for 2019 was received from one member as follow: Azerbaijan for an amount of €1,250 paid on 31/01/20.
- 2 As agreed at the CENL AGM in June 2016, the CENL account for TEL (CENL Foundation 2 account) will hold reserve funds to cover the maximum risk of payments to a previous member of staff plus any anticipated legal fees totalling € 140 000. As the risk reduces over time (up until October 2022) the amount held will be reviewed annually. An amount of €23 390 was transferred to the CENL 1 account in May 2020.
 Due to the closure of the CENL bank account with Lloyds, the funds held in the CENL 2 account were transferred to the CENL 1 account ahead of the closure of both accounts. An amount of €73,493.65 was transferred on 01 December 2020.
- 3 The 2019 unspent budget for 2019 EKN grants of the National Library of Russia and National Library of Austria taking place in 2020 were carried over into the 2020 budget to cover the costs of these grants in the 2020 budget.
- 4 Due to Covid-19, Bonnie Greer’s keynote initially planned for the CENL AGM, was re-scheduled as a webinar on ‘Diversity & Inclusion in National Libraries’ on December 2020. The keynote was filmed live at the British Library and the webinar was produced by UniqueMedia for a cost of €1,693.05.

- 5 Due to Covid-19 and the inability to travel for most CENL members, there has been a very low take up of the bursaries. Therefore, the EC agreed in July 2020 to re-allocate €10,000 of the €20,000 budget to create a new 'Covid-19 Support Fund' to support CENL members badly affected by the virus. A total of €800.91 had been spent on bursaries by mid-November.

Five Covid-19 Support Fund applications were successful.

Bursary payments

- B22 – Russia (BYPL)

Participants: Boris Yeltsin Presidential Library to National Library of Norway

Purpose: For deputy chief technologist from the Boris Yeltsin Presidential Library to learn about born-digital documents, web archiving, digital collections, websites, and the management of multimedia documents.

Status: visit postponed due to covid-19. New date to be confirmed.

Payment: Upfront payment of €800 paid on 03/03/20.

- B18 – Croatia

Participants: Dragana Koljenik of the Croatian Institute for Librarianship, National and University Library in Zagreb.

Purpose: To attend the 7th Estonian Digital Humanities Conference: 'Use of Digital Cultural Heritage in Research and Education', taking place 4-6 December 2019.

Status: Visit took place 4-6 December 2019.

Payment: Upfront payment of €713.60 paid on 24/07/19 (2019 - TR20). Balance payment of €0.91 paid on 20/04/20.

Total paid for B18: €714.51.

Covid-19 Support Fund payments

- National Library of Croatia

Purpose: buying information screens

Status: Equipment to be ordered

Payment: Upfront payment of €2,000 paid on 05/11/20 (2020 – TR32).

- National Library of Bosnia & Herzegovina

Purpose: buying scanner and protective equipment

Status: Completed

Payment: Upfront payment of €1,994.24 paid on 02/11/20 (2020 – TR28), balance payment of €505.76 paid on 25/11/20 (2020 – TR36). Total payment: €2,500.

- National Library of Moldova

Purpose: improve the digital equipment needed to interact directly and in a sustainable way with the local community

Status: Completed

Payment: the CENL Secretariat paid the invoices to the providers directly for amounts of €1,900 (2020 – TR37) and €599 (2020 – TR39) on 25/11/20.

- National Library of Romania

Purpose: Professional book sterilization equipment

Status: Equipment to be ordered

Payment: Upfront payment of €1,950.40 paid on 25/11/20 (2020 – TR38)

- 6 Only one EKN grant was awarded by the EC in 2020 to the British Library. Therefore, there was an underspent of €10,000 on that budget line. The EC agreed in July 2020 to re-allocate these €10,000 to create a new ‘Hidden Stories Fund’ to support projects to collect, preserve, research and celebrate the untold stories from and by underrepresented communities in the CENL libraries’ national collections. One Hidden Stories application was successful from the National Library of Croatia.

ENK grants payments

- National Library of Austria

Project: Digital exhibition of the Danube collections

Status: Completed

Payments: Upfront payment of €4,000 paid on 02/11/20 (2020 – TR27), balance payment of €1,000 paid on 15/12/20 (2020 – TR45). Total payment: €5,000.

- British Library
Project: Conference "National Libraries Now: International Perspectives on Library Curation"
Status: Ongoing
Payments: Upfront payment of €4,000 paid on 08/12/20 (2020 – TR43)

Hidden Stories payments

- National Library of Croatia
Project: Virtual exhibition 'The Roma on the Road'
Status: Hasn't started yet
Payments: Upfront payment of €2,000 paid on 12/11/20 (2020 – TR33)

- 7 Website costs were higher than expected as the contract of the agency worker was extended for the whole year, as well as the technical support for the website by Brother.
- 8 Banking costs consist of bank charges (this is what the bank invoices us for) of €363.48.
- 9 Audit and legal costs consist of an invoice of €6,284.74 for the 2019 Audit, as well as an invoice for legal advice on the potential membership of the National Library of Scotland for an amount of GBP £2,760.00. This legal advice hadn't been foreseen, which is why there is an overspent on that budget line.
- 10 Office costs consist of an invoice of £1,800 for the provision of live subtitles for CENL's AGM on 19th October 2020.

2.3 CENL Foundation 2 account - Cash at bank and reserve for 2020

CENL account 2	Bank Balance	Notes
Opening bank balance as at 1.1.2020	96 924.18 €	Confirmed by bank
ADD Income	28.05 €	See details on next page
LESS Expenses	96 952.23 €	See details on next page
Bank balance as at 31.12.2020	0.00 €	As on bank statement

Notes to budget balance at 31st December 2020 for CENL 2 Account

- **Transfer of funds to CENL 1 account**

- As agreed at the CENL AGM in June, the CENL account for TEL (CENL Foundation 2 account) will hold reserve funds to cover the maximum risk of payments to a previous member of staff plus any anticipated legal fees totalling € 140 000. As the risk reduces over time (up until October 2022) the amount held will be reviewed annually. An amount of €23 390 was transferred to the CENL 1 account in May 2020.
- Banking costs consist of bank charges (this is what the bank invoices us for) of €68.58.
- Due to the closure of the CENL bank account with Lloyds, the funds held in the CENL 2 account were transferred to the CENL 1 account ahead of the closure of both accounts. An amount of €73,493.65 was transferred on 01 December 2020. The €28.05 income relates to a refund of charges to close the accounts.

2.4 CENL Audit and Financial Statements for 2020

The financial statements for 2020 were prepared and audited by RSM Netherlands Accountants N.V, finalised on 14 April 2021 and approved by the EC on 09 June 2021.

3 2021: CENL budget to 31 October 2021

3.1 Cash balances as at 31 October 2021

CENL account 1 - LLOYDS	Bank Balance	Notes
Opening bank balance as at 01.01.2021	776 005.78 €	Confirmed with bank
ADD Income	0.00 €	
LESS Expenses	776 005.78 €	
Bank balance as at 31.10.2021	0.00 €	

CENL account - ING	Bank Balance	Notes
Opening bank balance as at 21.01.2021	0.00 €	Confirmed by bank
ADD Income	898 539.88 €	
LESS Expenses	93 693.30 €	
Bank balance as at 31.10.2021	804 846.58 €	As on bank statement

3.2 CENL budget to 31 October 2021

CENL budget 2021 (agreed at 2020 AGM)	CENL budget 2021 (agreed at 2020 AGM)	Income and expenses for 31 Oct 2021	Balance at 31 Oct 2021	Notes	Details
TOTAL INCOME					
CENL membership	119 500 €	122 500 €	3 000 €	1	See notes for details
Transfer from reserves	23 390 €	23 390 €	- €	2	See notes for details
EKN 2019 Funds carried over	5 000 €	5 000 €	- €	3	See notes for details
CENL network groups 2020 budget carried over	11 762 €	11 762 €	- €	4	See notes for details
Expenses					
Financial support for AGM	9 000 €	- €	9 000 €		
Travel costs for speakers	4 000 €	- €	4 000 €		
Skills and Knowledge Exchange					
• Bursary programme	10 000 €	4 453.36 €	5 546.64 €	5	See notes for details
• Hidden Stories Fund	10 000 €	7 840.00 €	2 160.00 €		
• CENL working groups 2020 carried over budget	11 762 €	- €	11 762 €		See note 4.
• CENL working group 2021 budget	15 000 €	600.00 €	14 400 €		
Erland Kolding Nielsen Grant 2021	15 000 €	4 627.63 €	10 372.37 €	6	See notes for details
EKN 2019 x 1 grant carried over	5 000 €	- €	5 000 €		See note 3.
CENL website				7	See notes for details
• Maintenance costs	6 000 €	3 116.24 €	2 883.76 €		
• Content	9 500 €	9 977.59 €	- 477.59 €		
Banking costs	1 190 €	2 464.48 €	- 1 274.48 €	8	See notes for details
Audit and legal costs	8 000 €	7 695.60 €	304.40 €	9	See notes for details
CENL Secretariat	52 000 €	52 000 €	- €		
Other office costs	3 200 €	918.40 €	2 281.60 €		
TOTAL EXPENSES	159 652 €	93 693.30 €	65 958.70 €		

Notes to budget as at 31 October 2021

1. A. Income from Membership for 2021 total €122,500 and compromise of:
 Income from Membership fees for 2021 for a total of €117,50 were received from 48 members as follows: Albania, Armenia, Austria, Azerbaijan, Belgium, Bosnia and Herzegovina, Bulgaria, Croatia, Cyprus, Czech Republic, Denmark, England, Estonia, Finland, France, Georgia, Germany, Greece, Hungary, Iceland, Ireland, Italy (Florence), Latvia, Liechtenstein, Lithuania, Luxembourg, Macedonia, Malta, Moldova, Montenegro, Netherlands, Norway, Poland, Portugal, Romania, Russia (BYPL), Russia (Moscow), Russia (St Petersburg), Scotland, Serbia, Slovakia, Slovenia, Spain, Sweden, Switzerland, Turkey, Ukraine and Vatican.
 The Denmark National Library sent its payment twice; the CENL Secretariat reached out to their Finance team and refunded the duplicate payment on 17/05/21.

 B. Income from Membership for 2020 total €5,000 and compromise of:
 Late membership fees for 2020 were received from 2 members as follows: Spain for an amount of €3,000 paid on 30/04/21, and Turkey for an amount of €2,000 on 09/03/21.
2. The CENL 2 account was closed on the 1st December 2020. The € 73,493.65 held into the CENL 2 reserves were transferred into the ING account. We currently do not hold these reserves in a separate account. The remaining risk of payments to a previous member of staff plus any anticipated legal fees for the period 2021-2022 amounts to €43,065.
3. The 2019 unspent budget for 2019 EKN grants of the National Library of Russia taking place in 2021 was carried over into the 2021 budget to cover the costs of this grant in the 2021 budget.
4. The Treasurer agreed to carry over, into the 2021 budget, the 2020 unspent budgets of the network groups as they were unable to organise their activities as planned due to the Covid-19 pandemic. €5,000 is being carried over for the AI Network Group, €5,000 is being carried over for the Copyright Network Group and €1,762 is being carried over for the Books and Audiences Network Group.
5. Skills & Knowledge Exchange: bursaries & grants.

- Bursary B24 - National Library of Bosnia & Herzegovina

Purpose: Dr Ismet Ovcina, Director of the National Library of Bosnia & Herzegovina will visit the National Library of Montenegro, from 6-10 October, to meet with the new Director to exchange publications and to discuss possible projects between the two libraries. Dr Ovcina will also represent the National and University Library of Bosnia and Herzegovina at the International Book Fair Podgorica.

Status: Due to take place on 06-10 October 2021

Payment: Upfront payment of €800 paid on 28/09/21 [2021 – TR45] and balance payment of €200 paid on 25/10/21 [2021 – TR59]. Total payment: €1,000.

Due to Covid-19 and the inability to travel for most CENL members, there has been a very low take up of the bursaries. Therefore, the EC agreed in July 2020 to re-allocate €10,000 of the €20,000 budget to create a new 'Covid-19 Support Fund' to support CENL members badly affected by the virus. Five Covid-19 Support Fund applications were successful. One of the successful applicants, the National Library of Latvia, requested to receive the payment for its full grant at the end of its project, which is why the payment was made in 2021. The national libraries of Romania and Croatia also completed their projects in 2021 and therefore received the balance payment of their grants in 2021.

Due to travel restrictions continuing in 2021, the Skills and Knowledge Exchange Bursary has been underused. The EC discussed options to use the funds in other ways, and decided in June 2021 to offer two more Covid-19 Support Grants in 2021 using the unspent bursary budget.

Covid-19 Support Fund – 2020 grants:

- National Library of Latvia

Purpose: Purchase of emergency safety equipment and PPE, as part of wider 'Emergency preparedness and response' measures.

Status: Completed

Payment: Full payment of €2,500 on 16/04/21 [2021 – TR16].

- National Library of Romania

Purpose: Purchase of book sterilisation equipment to disinfect library materials and reduce quarantine time between users.

Status: Completed

Payment: Upfront payment of €1,950.40 on 25/11/20 [2020 – TR38] and balance payment of €453.36 on 15/06/21 [2021 – TR25]. Total paid: €2,403.76.

- National Library of Croatia

Purpose: Installation of two screens at the Library entrance to improve the quality and streamlining of information users most often request (safety measures, number of free seats, working hours, etc.)

Status: Completed

Payment: Upfront payment of €2,000 on 05/11/20 [2020 – TR32] and balance payment of €500 on 20/07/21 [2021 – TR34]. Total paid: €2,500.

Covid-19 Support Fund – 2021 grants:

- National Library of Malta

Purpose: A digital presentation and accompanying info panels highlighting the rich collections and archival groups in the National Library of Malta's trust, which will travel across the national and public libraries' network as well as to book festivals and fairs.

Status: Ongoing

Payment: No payment made.

- National Library of Moldova

Purpose: Improving digital technology equipment for the Center for Continuing Vocational Training in Library and Information Sciences within the National Library. The equipment will be used to record, process and promote training activities for librarians at national and international level (with English subtitles).

Status: Ongoing

Payment: No payment made.

Hidden Stories grants -2021:

Two Hidden Stories grants of €5,000 were awarded in 2021 to the National Library of North Macedonia and to the National Library of Serbia.

- National Library of North Macedonia

Purpose: Enriching the Library with LGBTQ+ publications - Conducting research on the extent to which LGBTQ+ publications are present in the collection and what publications are needed, as resources on queer topics have not previously been acquired in an organised manner, leaving a gap in available literature.

Status: Ongoing

Payment: Upfront payment of €3,840 on 05/10/21 [2021 – TR49].

- National Library of Serbia

Purpose: A project to record and preserve women’s experiences of the pandemic. Collection Days where women are invited to share stories of their lives during pandemic, especially those in the front lines. A series of lectures from academia, culture and media will accompany these Collection Days.

Status: Ongoing

Payment: Upfront payment of €4,000 on 25/10/21 [2021 – TR54].

6. ENK grants payments:

An EKN grant was awarded to the National Library of Estonia by the EC meeting on 10/03/21 for an International seminar on the issues of competencies and training for librarians in collaboration with the National and University Library of Iceland, Royal Library of the Netherlands, National Library of Latvia, and University of Iceland. The seminar took place on the 27th May 2021. An upfront payment of €3,907.76 was paid on 05/05/21 and a balance payment of €719.87 was paid on 23/07/21. The total paid for the EKN grant of the National Library of Estonia was €4,627.63.

7. Website costs consists of the support package from Brother from April to November 2021 for an amount of €2,347.68, support package for December 2021 for an amount of €294.75, the renewal of website plug-ins and of the agency worker fees from December 2020 to June 2021 for an amount of €9,777.59. The extension of the agency's worker contract until late November explains the over-spent on that budget line.
8. Banking costs consist of bank charges (this is what the bank invoices us for) of €2 260.48 and bank transfer fees of €204.00. The ING bank charges are higher than the Lloyds ones and we are expecting a small overspent on that budget line, which should be partly compensated by an underspent in the audit and legal costs budget line.
9. Audit and legal costs consists of the invoice for the 2020 financial statement & audit for a cost of €7,695.60.

4. 2022: Proposed budget for voting

CENL proposed budget 2022	Amount	PROPOSED PRIORITIES FOR 2022 IN LINE WITH STRATEGY 2018-2022
Income		<p>Priority 1: Support national libraries to increase their impact and to be strong organisations</p> <ul style="list-style-type: none"> Identify priority areas for skills development – investment in training opportunities Promote the power of the peer-to-peer network to share information (e.g. funding opportunities, key issues for debate, knowledge exchange) Develop CENL policy on advocacy Identify partnerships with relevant organisations <p>Priority 2: Develop national library services</p> <ul style="list-style-type: none"> Provide support in developing innovating services to meet evolving user needs Develop a shared service strategy through a number of surveys Explore innovative use and design of physical spaces for service and audience development Share best practice on cultural programmes, both physical and digital <p>Priority 3: Develop as memory institutions</p> <ul style="list-style-type: none"> Share best practice in collection management and stewardship Support collaboration in the area of digital collections and access services Review current legal deposit practices and legislative regulatory changes affecting library services Collaborate with European publishers to explore areas of mutual benefits <p>Priority 4: Strengthen CENL as a community</p> <ul style="list-style-type: none"> Continue to review governance models and the role of the Secretariat Review terms of reference of CENL subgroups to align with Strategic Plan Strengthen peer-to-peer network by improving member contacts Develop communications including CENL website further and explore the use of social media in the future
CENL membership	111 350 €	
Reserves	33 650 €	
TOTAL INCOME	145 000 €	
Expenses		
Financial support for AGM	13 000 €	
Travel costs for speakers	4 000 €	
Skills and Knowledge Exchange <ul style="list-style-type: none"> Bursary programme (€10k) CENL network groups 2021 budget (€5k x 3 groups - €15,000) 	25 000 €	
Erland Kolding Nielsen Grant <ul style="list-style-type: none"> 1 x €5k grant 	5 000 €	
CENL website maintenance	8 000 €	
Banking costs	1 500 €	
Audit and legal costs	8 000 €	
CENL Secretariat	78 000 €	
Other office costs	2 500 €	
TOTAL EXPENSES	145 000 €	

Notes on proposed budget:

This budget is based on the new fee model proposal in Paper 04. This proposal recommends to raise the annual base budget to €145k per annum, whilst maintaining the current total membership fee contribution of €120k. It is proposed to fund the funding shortfall of a maximum of €25k from reserves for a period of 3 years, or until the next fee model review.

An income of €120k should be expected from the membership fees in 2022. However as proposed in Paper 04, the members whose fees will be increasing will be given a one-year amnesty. These members will pay the current amount of their membership fee in 2022. They will only start paying the increased amount of their membership fee in 2023. Other members will move to the new fee model immediately in 2022. This will lead to a short loss of income in the 2022 budget of €8,650, which the treasurer is suggesting to compensate exceptionally with the extra funds from the reserves.