

Development of CENL's assets

Actions required:

- Review report and agree to stay with the current procedure of reducing the assets by taking money constantly from the reserves

Background

When CENL ran TEL (The European Library), it held separate bank accounts for collecting this income, which in turn would then be disbursed to TEL/Europeana who were running the aggregation service. Membership contributions for TEL were much higher per member library, running a surplus when the British Library took over the Secretariat.

When TEL was closed, the funds were kept in a separate bank account and the CENL Executive Committee at the time investigated whether it would make sense to invest this money but decided against it (CENL EC Meeting (15) on 28 January 2019). We also had to keep a substantial amount in a separate account as there was a risk of a claim by a former member of TEL staff which decreased over time and finally came to an end in October 2022.

Over the years EC members have been talking about CENL's strong commitment to using the money in the reserves for the benefit of the wider membership, and hence had increased the number of grant schemes as well as paying the network groups a sum of money annually, something which didn't happen before. Unfortunately, there have been underspends recently as funds were not used in the anticipated way during the pandemic, and in the aftermath budgets were cut.

The EC talked about the possibility of using the money for major programmes in the future, should the EC and the members decide on something relevant coming out of the strategy. CENL has made some investments and used some of the money over the years, for example for the website redevelopment, which was a bigger project, and through the grant scheme, but this is a very good opportunity to discuss with members how they would like the funds to be spent for the CENL community. (One idea that came up a few times at the EC was to spend some of the money to engage someone to write a more detailed history about CENL for the archives).

During the AGM 2022 the chair informed the Board of Directors that the EC has decided on a policy of continuously and moderately overspending as a reasonable course of action after the 2021 COVID-19-caused underspending. This

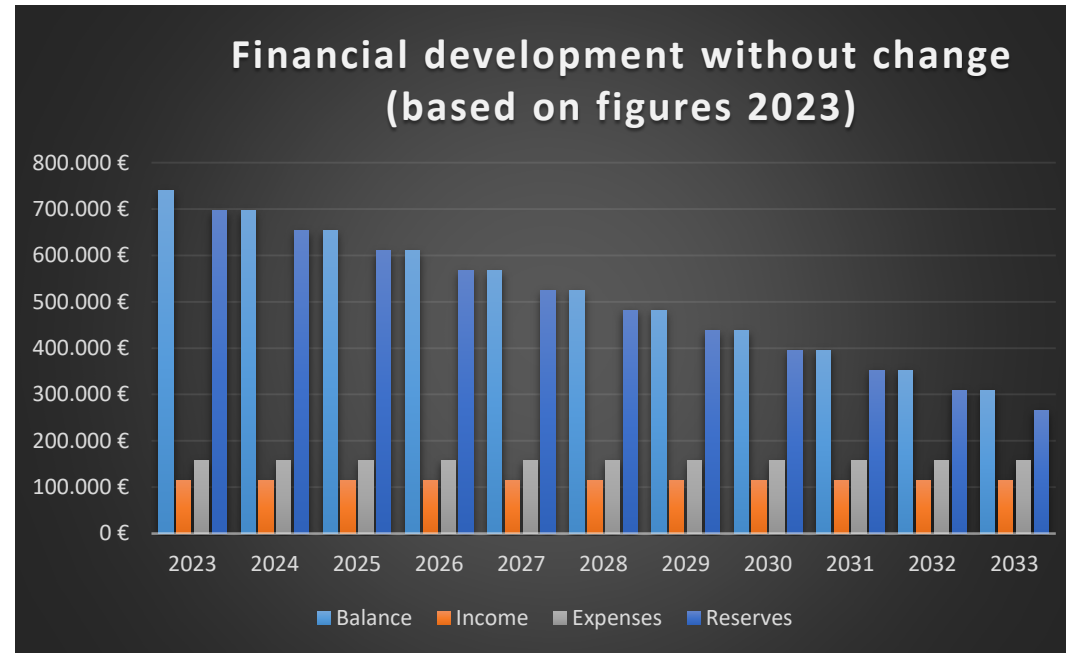
Compared to 2022, the income by membership fees will increase (8,800 Euros) in 2023 as 11 members will have to pay more than before. (The new fee model has been in effect since 2022: But it was agreed that members who would have had to pay more under the new model will not have to do so until 2023. All those who have to pay less under the new model did so already in this year. The latter also contributed in decreasing CENL's assets.

Summary

Measures to decrease the assets	Measures that increased the assets	Ideas to decrease that were discarded
Increased number of grant schemes	Budget cuts because of underspending due to pandemic and resulting (travel) restrictions	To invest money
Annual budget for the network groups (5.000 Euros each)		To hire someone to write the CENL history
Increase the annual amount for the secretariat		
Website relaunch		
New fee model (starting 2022)		

The approved budget for 2023 provides 40,000 euros for Skills and Knowledge exchange (Funds and Grants, 3 Network Groups) and the EKN. To be able to finance this, we will have to take 43,050 euros from the reserves.

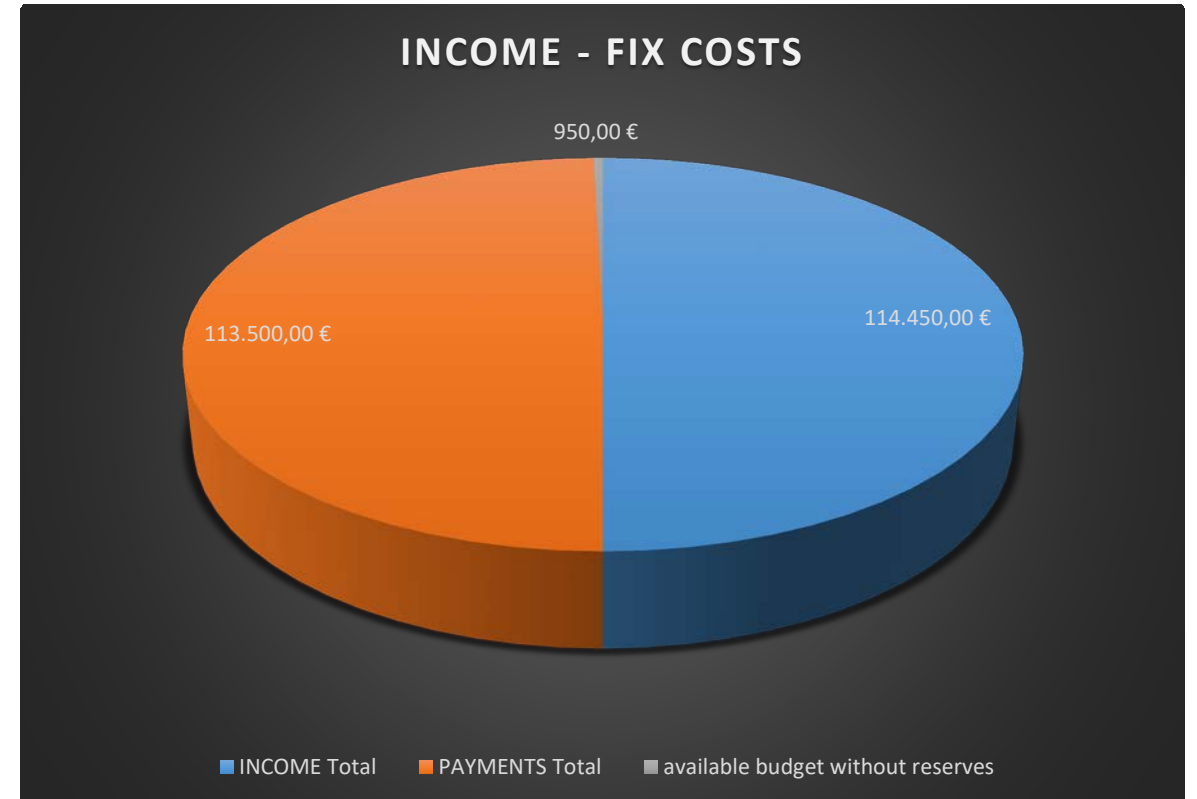
CENL Financial Development 2023-2033



Year	2023	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Balance	740.000 €	696.950 €	653.900 €	610.850 €	567.800 €	524.750 €	481.700 €	438.650 €	395.600 €	352.550 €	309.500 €
Income	114.450 €	114.450 €	114.450 €	114.450 €	114.450 €	114.450 €	114.450 €	114.450 €	114.450 €	114.450 €	114.450 €
Expenses	157.500 €	157.500 €	157.500 €	157.500 €	157.500 €	157.500 €	157.500 €	157.500 €	157.500 €	157.500 €	157.500 €
Saldo	-43.050 €	-43.050 €	-43.050 €	-43.050 €	-43.050 €	-43.050 €	-43.050 €	-43.050 €	-43.050 €	-43.050 €	-43.050 €
Reserves	696.950 €	653.900 €	610.850 €	567.800 €	524.750 €	481.700 €	438.650 €	395.600 €	352.550 €	309.500 €	266.450 €

Available budget without reserves

CENL 2023 (Budget proposed)	
INCOME	
Membership Fees	114.450,00 €
INCOME Total	114.450,00 €
PAYMENTS (FIX COSTS)	
Financial Support AGM	13.000,00 €
CENL Website Maintainance	8.000,00 €
Banking Costs	4.000,00 €
Audit and legal costs	8.000,00 €
Other office costs	2.500,00 €
CENL Secretariat	78.000,00 €
PAYMENTS Total	113.500,00 €
available budget without reserves	950,00 €



CENL Secretariat Funding

CENL Grant Secretariat	78.000,00 €
German National Library cost share	59.140,75 €
Actual Secretariat costs *)	137.140,75 €

*) The personnel and material costs for running the CENL Secretariat were calculated on the basis of the regulations and rates applicable to the German federal administration.

