

Reimagining the Future

2011-2012 ANNUAL REPORT

CRKN
Canadian Research
Knowledge Network

RCDR
Réseau canadien de
documentation pour la recherche



About CRKN

The Canadian Research Knowledge Network (CRKN) is a partnership of Canadian universities, dedicated to expanding digital content for the academic research enterprise in Canada. Through the coordinated leadership of librarians, researchers, and administrators, CRKN undertakes large-scale content acquisition and licensing initiatives in order to build knowledge infrastructure and research capacity in Canada's universities. CRKN collaborates with 75 university members and provides access to over 1.2 million researchers and students.

OUR MEMBERS

Acadia University	Royal Roads University	University of Alberta
Algoma University	Ryerson University	University of British Columbia
Athabasca University	Saint Mary's University	University of Calgary
Bishop's University	Simon Fraser University	University of Guelph
Brandon University	St. Francis Xavier University	University of Lethbridge
Brock University	The King's University College of Alberta	University of Manitoba
Cape Breton University	Thompson Rivers University	University of New Brunswick
Carleton University	Trent University	University of Northern British Columbia
Concordia University	Trinity Western University	University of Ontario Institute of Technology
Concordia University College of Alberta	Université de Moncton	University of Ottawa
Dalhousie University	Université de Montréal	University of Prince Edward Island
École Polytechnique de Montréal	Université de Sherbrooke	University of Regina
HEC Montréal	Université du Québec	University of Saskatchewan
Kwantlen Polytechnic University	<ul style="list-style-type: none"> • École de technologie supérieure • École nationale d'administration publique • Institut national de la recherche scientifique • Télé-université • Université du Québec à Chicoutimi • Université du Québec à Montréal • Université du Québec à Rimouski • Université du Québec à Trois-Rivières • Université du Québec en Abitibi-Témiscamingue • Université du Québec en Outaouais 	University of Toronto
Lakehead University		University of Victoria
Laurentian University		University of Waterloo
McGill University		University of Windsor
McMaster University		University of Winnipeg
Memorial University of Newfoundland		Vancouver Island University
Mount Allison University		Western University
Mount Royal University		Wilfrid Laurier University
Mount Saint Vincent University		York University
Nipissing University		
Nova Scotia Agricultural College		
NSCAD University		
OCAD University		
Queen's University	Université Laval	
Royal Military College of Canada	Université Sainte-Anne	
	University of the Fraser Valley	

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© Canadian Research Knowledge Network
301-11 Holland Avenue, Tower A
Ottawa, ON K1Y 4S1
Tel: 613.907.7040
Fax: 866.903.9094
Email: info@crkn-rcdr.ca
Web: www.crkn-rcdr.ca



Message from the Board Chair and the Executive Director

The 2011-2012 year in review was a pivotal one for the Canadian Research Knowledge Network (CRKN), as the organization completed the second year in our current three-year strategic plan. Several major initiatives and changes required the focused attention of the Board of Directors and staff, with the shared goal of creating value for our member institutions and the communities they serve. This value is represented by the three themes in our strategic plan: **Content**, **Community**, and **Capacity**.

ENHANCING OUR CONTENT

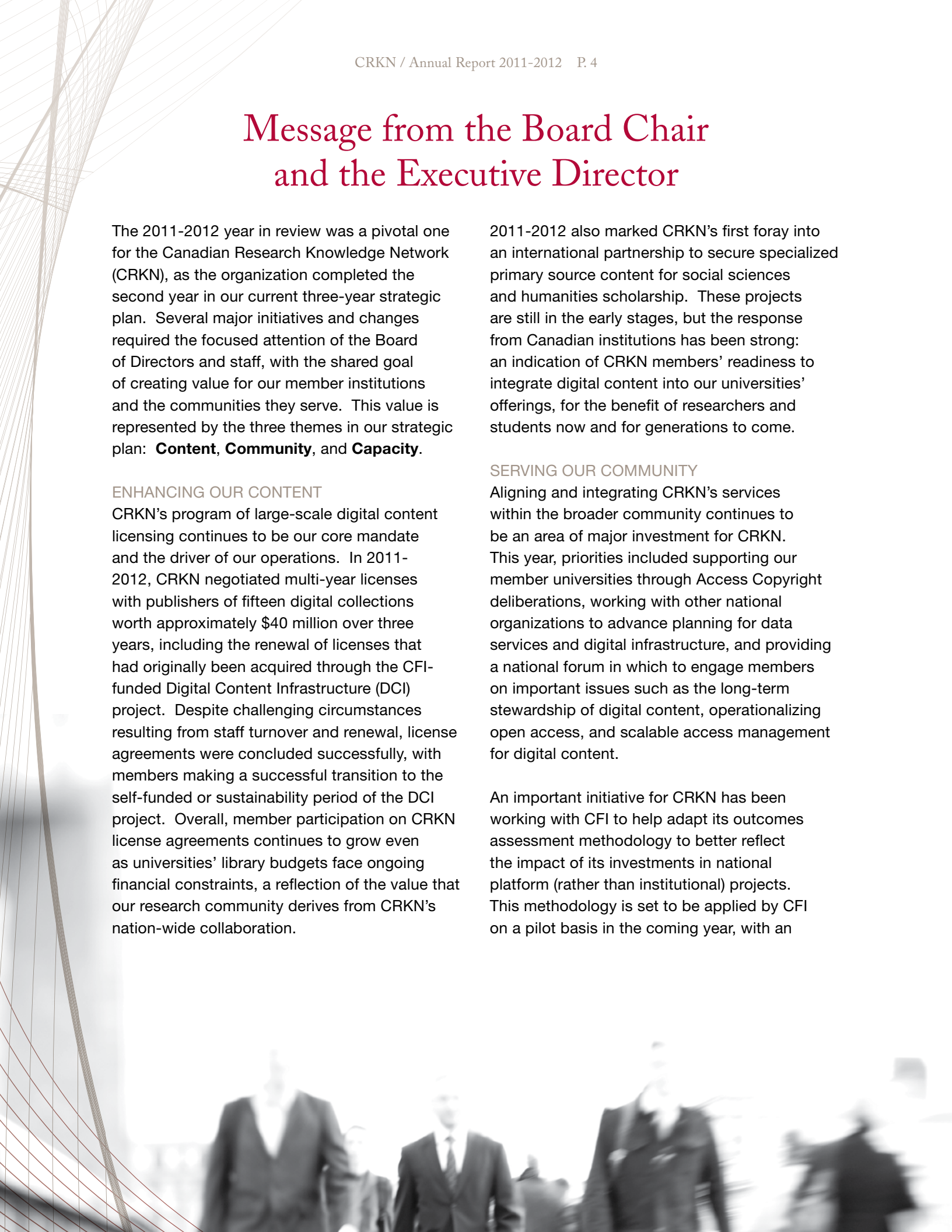
CRKN's program of large-scale digital content licensing continues to be our core mandate and the driver of our operations. In 2011-2012, CRKN negotiated multi-year licenses with publishers of fifteen digital collections worth approximately \$40 million over three years, including the renewal of licenses that had originally been acquired through the CFI-funded Digital Content Infrastructure (DCI) project. Despite challenging circumstances resulting from staff turnover and renewal, license agreements were concluded successfully, with members making a successful transition to the self-funded or sustainability period of the DCI project. Overall, member participation on CRKN license agreements continues to grow even as universities' library budgets face ongoing financial constraints, a reflection of the value that our research community derives from CRKN's nation-wide collaboration.

2011-2012 also marked CRKN's first foray into an international partnership to secure specialized primary source content for social sciences and humanities scholarship. These projects are still in the early stages, but the response from Canadian institutions has been strong: an indication of CRKN members' readiness to integrate digital content into our universities' offerings, for the benefit of researchers and students now and for generations to come.

SERVING OUR COMMUNITY

Aligning and integrating CRKN's services within the broader community continues to be an area of major investment for CRKN. This year, priorities included supporting our member universities through Access Copyright deliberations, working with other national organizations to advance planning for data services and digital infrastructure, and providing a national forum in which to engage members on important issues such as the long-term stewardship of digital content, operationalizing open access, and scalable access management for digital content.

An important initiative for CRKN has been working with CFI to help adapt its outcomes assessment methodology to better reflect the impact of its investments in national platform (rather than institutional) projects. This methodology is set to be applied by CFI on a pilot basis in the coming year, with an



international panel of experts meeting with CRKN in December 2012 and applying the revised assessment criteria. The learning from this pilot will add to our mutual understanding and strengthen both CFI's and CRKN's accountability. Complementing this initiative, CRKN continues to track several performance indicators or "vital signs" that were devised through our task group on Value, Influence, Trends and Leadership (ViTaL). This tracking is not only to account for funds spent or services delivered in the past; more importantly these indicators help inform future decisions, over time providing longitudinal evidence to guide strategic decisions and investments. This initiative is a work-in-progress, but is already providing key information to our members, Board, and funders.

FOCUSING OUR ORGANIZATION

A hallmark of CRKN in recent years has been its focus on strategic governance and the application of best practices, to ensure a resilient organization with the capacity to deliver ongoing value in rapidly-changing and turbulent times. In 2011-2012, a governance review culminated in recommendations for a restructured Board of Directors, a more than 30% reduction in Board size, greater representation from member libraries, and revised by-laws complying with the new Canada Not-for-Profit Corporations Act. These recommendations were endorsed by members at the 2011 Annual General Meeting and implemented in February 2012 with a first

meeting of the new Board. This structural change has in turn prompted the need to revisit the number, mandate and composition of CRKN's standing committees, and this work will be addressed by the Board in the coming year. The Board continues to track progress on a multi-year plan to reduce reliance on interest revenues and restore a balanced budget. CRKN made significant progress on this goal during 2011-2012, reducing expenses by relocating our administrative offices to downsized premises, securing new revenues from the organization's specialized expertise, and implementing a modest membership fee increase, the first such increase since 2006. While the 2011-2012 audited financial statements reflect a planned deficit at year-end, CRKN continues to be in a healthy financial position, drawing down its accumulated reserves within the boundaries set by our financial policies.



INTO THE FUTURE

In the coming year, CRKN will enter a new phase of its development with a change of leadership at both the Board and staff levels. A new Board chair will take office in late October 2012 following the Annual General Meeting, and a new Executive Director is expected to join the organization in the coming months. These leaders will build on a solid foundation of CRKN achievements to date, the result of commitment and collaboration of scores of individuals and organizations nation-wide. We know they can count on your support as CRKN reimagines the future, with new opportunities and challenges on the horizon and beyond.

On behalf of the Board of Directors and management, thank you for sharing in CRKN's aspirations and the ongoing work of building knowledge infrastructure and research capacity in Canada's universities.



David T. Barnard

David T. Barnard, Ph.D.
President and Vice-Chancellor
University of Manitoba
Chair, CRKN Board of
Directors

Deb deBruijn

Deb deBruijn
Executive Director

The new leaders will build on a solid foundation of CRKN achievements to date, the result of commitment and collaboration of scores of individuals and organizations nation-wide. We know they can count on member support as CRKN reimagines the future, with new opportunities and challenges on the horizon and beyond.



Enhancing our Products and Services

LICENSE RENEWALS

In 2011 CRKN had 15 licenses scheduled for renewal – 8 of these as part of the DCI Project. To best focus the Negotiations Resource Team (NRT) and staff time, renewals were organized in phases according to complexity of work anticipated and license termination date. This proved to be an effective approach to apply resources where they could be best utilized.

DIGITAL CONTENT INFRASTRUCTURE FOR THE HUMAN AND SOCIAL SCIENCES (DCI) PROJECT

The DCI Project is supported by the Canada Foundation for Innovation (CFI), provincial

fundors and member institutions. CRKN completed the first year of the required sustainability phase of the project with lower than expected costs owing to the predominance of one-time (rather than recurring) costs that were expended earlier in the project.

Remaining project funds are dedicated to digitizing unique Canadian historic content that will be available **open access**. Work by the University of Alberta continues on digitization of monographs contained in Canadiana.org's legacy microfiche collection. All materials are accessible on both the University of Alberta and the **Internet Archive site**.



CRKN's provision of a pan-Canadian digital research corpus has fostered a generation of Digital Humanities engagement. The partnership with CRKN has been positively transformative for my research. **Read the case study**

Raymond G. Siemens
Canada Research Chair in Humanities Computing
Distinguished Professor
Faculty of Humanities, University of Victoria



INCREASE IN PARTICIPATION

CRKN saw a steady increase in member participation on CRKN content licenses. Provision was made for members who did not originally participate in the DCI Project to join the licenses at the renewal point. As the DCI Project renewals included lower recurring fees, CRKN showed a decline in license revenues and fees even as member participation on the licenses increased.

CRKN began its first international venture on licensing with the Center for Research Libraries in the United States and the Joint Information Systems Committee (JISC) in the UK for The Churchill Archive, a database from Bloomsbury Publishing. This pilot offer is currently under review with the respective members of each consortia.

TASK GROUP ACTIVITY

CRKN supports areas of national interest through member engagement on several task groups. CRKN and the Canadian Association of Research Libraries (CARL) established the **CARL-CRKN Open Access Working Group** with terms of reference approved by both Boards in April and May of 2011. The working group launched its work with members through a workshop at the 2011 Annual General Meeting and is scheduled to deliver its preliminary report and recommendations in Fall 2012.

The **Serials Management Task Group**

continues its work to ensure the accuracy of serial title lists across all publishers in a format that can be integrated into members' local systems. The group's recommendation for the adoption of a consistent standard for this information has been implemented by CRKN and incorporated into its negotiation process with vendors. Work will continue on this initiative over the upcoming year.

The **Perpetual Access Working Group**

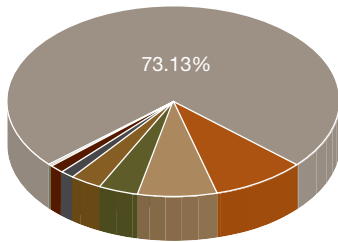
(PATG) was fully constituted in March 2011 in response to questions that arose at the 2010 Annual General Meeting. In February 2012 the PATG delivered a **report** that provided an analysis of prominent archival and perpetual access initiatives both in Canada and internationally, a review of current CRKN and other model licensing provisions related to perpetual access, and recommendations for next steps. These recommendations are currently being explored with respect to feasibility and implementation.

A Member Townhall was convened at the 2011 Annual General Meeting to engage members on issues related to how costs for CRKN content licenses are shared among members, and to inform the scope of work for a task group to study and make recommendations on these issues. Following a call for nominations among members, the **Cost Sharing Advisory Group** was formed and its work is underway. The group anticipates delivering its report and recommendations in the coming year.

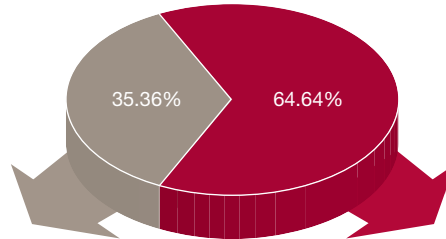


2012 - PORTFOLIO OF CONTENT BY \$ VALUE

TOTAL 2012
SSH LICENSE
EXPENDITURE

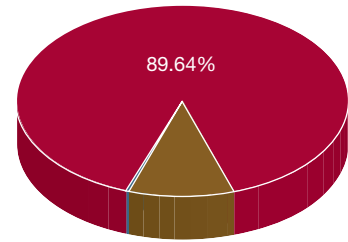


- E-journals Current (73.13%)
- E-journals Backfiles (9.36%)
- Primary Source/Historical (7.64%)
- Historical Newspapers (3.85%)
- E-journals French (3.09%)
- Primary Source/Current (1.51%)
- Images (1.29%)
- Music (0.10%)
- Video streaming (0.04%)
- E-books English (0.00%)
- E-Books Historical French (0.00%)



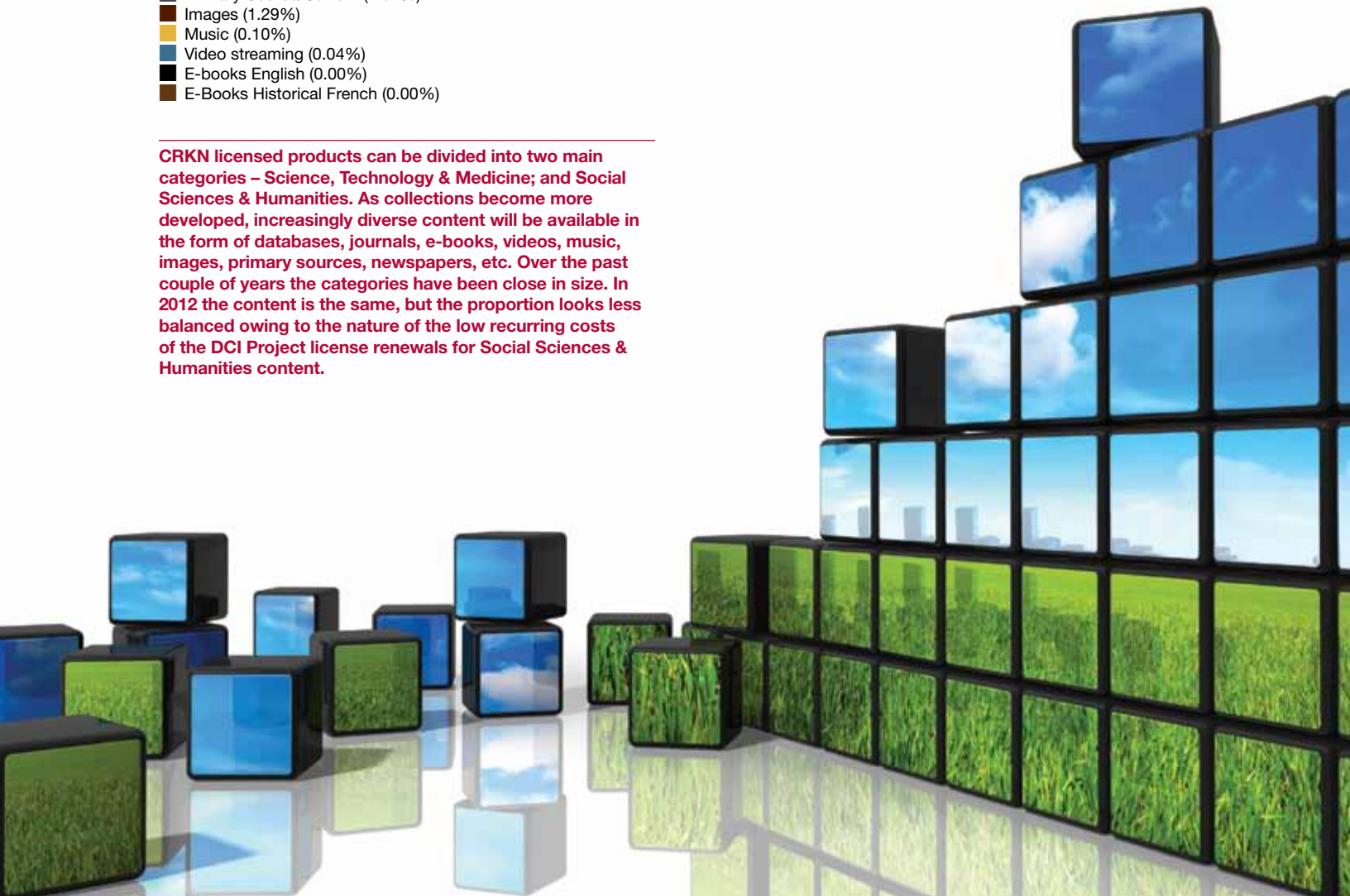
- Science, Technology & Medical (64.64%)
- Social Sciences & Humanities (35.36%)

TOTAL 2012
STM LICENSE
EXPENDITURE



- E-journals STM Current (89.64%)
- Indexing, Abstracting & Citation Databases (10.16%)
- E-journals STM Backfiles (0.20%)

CRKN licensed products can be divided into two main categories – Science, Technology & Medicine; and Social Sciences & Humanities. As collections become more developed, increasingly diverse content will be available in the form of databases, journals, e-books, videos, music, images, primary sources, newspapers, etc. Over the past couple of years the categories have been close in size. In 2012 the content is the same, but the proportion looks less balanced owing to the nature of the low recurring costs of the DCI Project license renewals for Social Sciences & Humanities content.



Serving our Community

COLLABORATION

CRKN continues to support the work of the Canadian Access Federation (CAF) to advance the implementation of Shibboleth as a tool for authentication within a more secure, scalable environment for both identity providers (such as universities) and service providers (such as publishers). The CAF is managed by CANARIE, and provides the infrastructure for Canadian organizations to adopt federated access management as a best practice. Earlier this year CAF introduced a pricing model whereby service providers can join for free, and now has 15 fully engaged.

CRKN collaborated with Conference of Rectors and Principals of Quebec Universities (CREPUQ) to adapt CRKN's members-only License Information Module (LIM) into French. The launch of this development was made in March of 2012 and was well received by CRKN's francophone members.

The new tariff structure proposed to universities by Access Copyright developed into a major

issue during 2010 and continued into 2011. Since most CRKN license agreements are directly with publishers or content providers and provide for bona fide access and usage by participant universities, they are tariff-exempt. CRKN assisted the Association of Universities and Colleges of Canada (AUCC) with its defence on behalf of its member universities in opposition to the tariff.

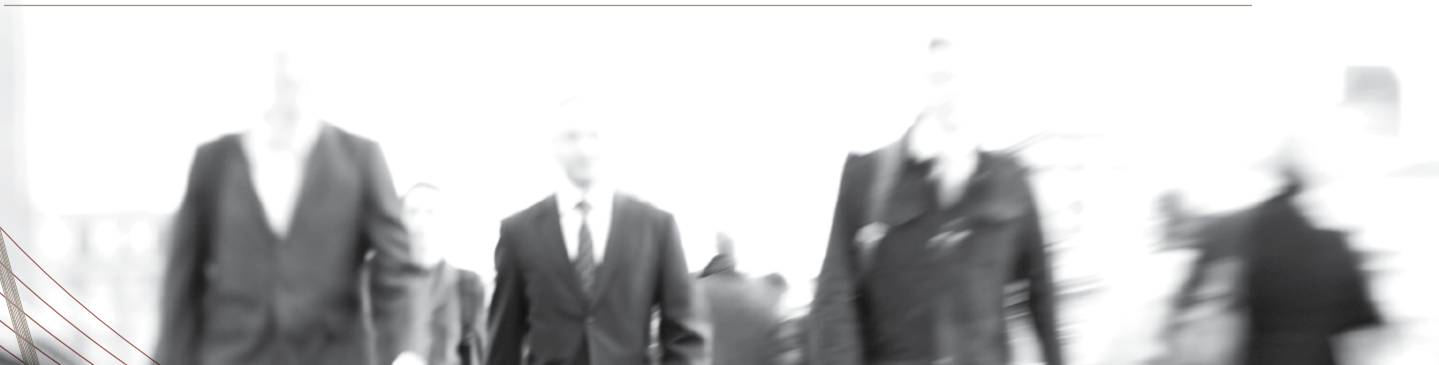
MEMBER ENGAGEMENT

CRKN employs multiple channels of member engagement in order to stay abreast of issues, share news and information, and foster interaction with and among members. This year CRKN hosted three **OpenLines** in the form of group teleconferences around topics of interest. Two of these focused on the topic of the "Big Deal", (large inclusive collections of online journals) and one on the progress and benefits of the Canadian Access Federation. The Big Deal events offered simultaneous translation and drew record participation.



CRKN's strategic investments in digital content support many of AUCC's key priorities, such as enhancing international academic collaboration and attracting more top international students and faculty to study here or partner with Canadian researchers.

Christine Tausig Ford,
Vice-President and Chief Operating Officer,
Association of Universities and Colleges of Canada



The **2010-2011 Annual Report** took a new approach and was delivered interactively. By moving in this direction, the intent was to encourage readers to drill down into specific areas of interest. This approach was well received as it tripled readership. The effort was recognized by the International Association of Business Communicators with an **Excel Award of Excellence**.



The recipient of the **Ron MacDonald Distinguished Service Award** was celebrated at the 2011 Annual General Meeting. This members' award honors the late Ron MacDonald, a key contributor to the development of CRKN's collaborative programs and services. **Jean-Pierre Côté** was recognized for the major role he played in fostering the collaboration that led to the establishment and successful implementation of the Canadian National Site Licensing Project and its successor organization, the Canadian Research Knowledge Network. See the **videos**.



Jean-Pierre Côté (centre) receives the Ron MacDonald Distinguished Service Award from David Barnard, Chair (left), and Michael Ridley, Vice-Chair, Board of Directors (right) at the ceremony in Gatineau at the 2011 Annual General Meeting.





I have very much enjoyed working with CRKN over the past 10 years; thank you for your patience, help and guidance on so many occasions. Missives from the Finance department were most numerous: I don't know how you managed it, but receiving invoice notifications was actually a pleasure! Special wishes to Deb, as she looks to a new era come December, after so many years competently guiding the CNSLP/CRKN ship.

Outgoing Library Director, **Sharon Brown**,
Wilfrid Laurier University

The monthly **NewsBrief** was issued throughout 2011-2012 and continues to receive open rates in excess of 30% in both French and English – about 15% above the industry average. NewsBriefs feature regular Board Meeting Recaps, Negotiations Resource Team Meeting Recaps, License updates, governance updates and other news.

VITaL TASK GROUP

The Value, Influence, Trends and Leadership (VITaL) Task Group addresses the need to

evaluate organizational impact. VITaL oversees the preparation of an annual **dashboard of indicators** collected under three themes: Membership Leverage, Scholarly Content Offerings and Community Engagement.

VITaL oversaw CRKN's collaboration with the Canada Foundation for Innovation (CFI) to refine the Outcome Measurement Study to be more applicable to CRKN as an enabling platform. CRKN will prepare to pilot the new framework in the upcoming year.



Focusing our Organization

GOVERNANCE REVIEW

The governance review, initiated in the previous year as part of CRKN 10th anniversary reflections and to comply with the new Canada Not-for-Profit Corporations Act, was concluded. The Final Report and Recommendations were approved by the Board and subsequently endorsed by the members at the 2011 AGM. This resulted in implementation of a smaller restructured Board of Directors in February 2012.

FINANCIAL STEWARDSHIP

The Board approved a planned deficit budget for FY 2011-2012, offset by a multi-year financial model that uses multiple tactics – cost reductions, new revenue generation, drawing on accumulated surpluses, and fee increases – aimed at balancing the budget in the long term. CRKN undertook office relocation to smaller premises as part of its commitment to cost reduction.

CRKN experienced a net increase in program activity in the 2011-2012 period with new participation on existing licenses. Meanwhile content licence expenditure decreased from \$97.7M

CAD in 2011 to \$89.1M CAD in 2012 – dropping approximately 9%. This drop in expenditures was primarily attributed to the DCI Project license renewals that consisted largely of access (rather than content purchase) fees. Both the design of the DCI Project and the lower recurring costs negotiated by CRKN make a major contribution to the sustainability of the content licensed under the DCI Project and the benefits to the university community.

EQUIPPING THE NEW BOARD

In planning for the Board transition after the governance review and the planned leadership changes, CRKN engaged an outside consultant to review CRKN's core content program, capacity and resource requirements. The Board reviewed recommendations proceeding from this study, agreed to focus on maintaining current capacity while also advancing the recruitment for the new Executive Director. Along with the Board, the new Executive Director will play a key role in developing CRKN's next Strategic Plan and ensuring the organization has the ongoing capacity to serve members and stakeholders effectively.



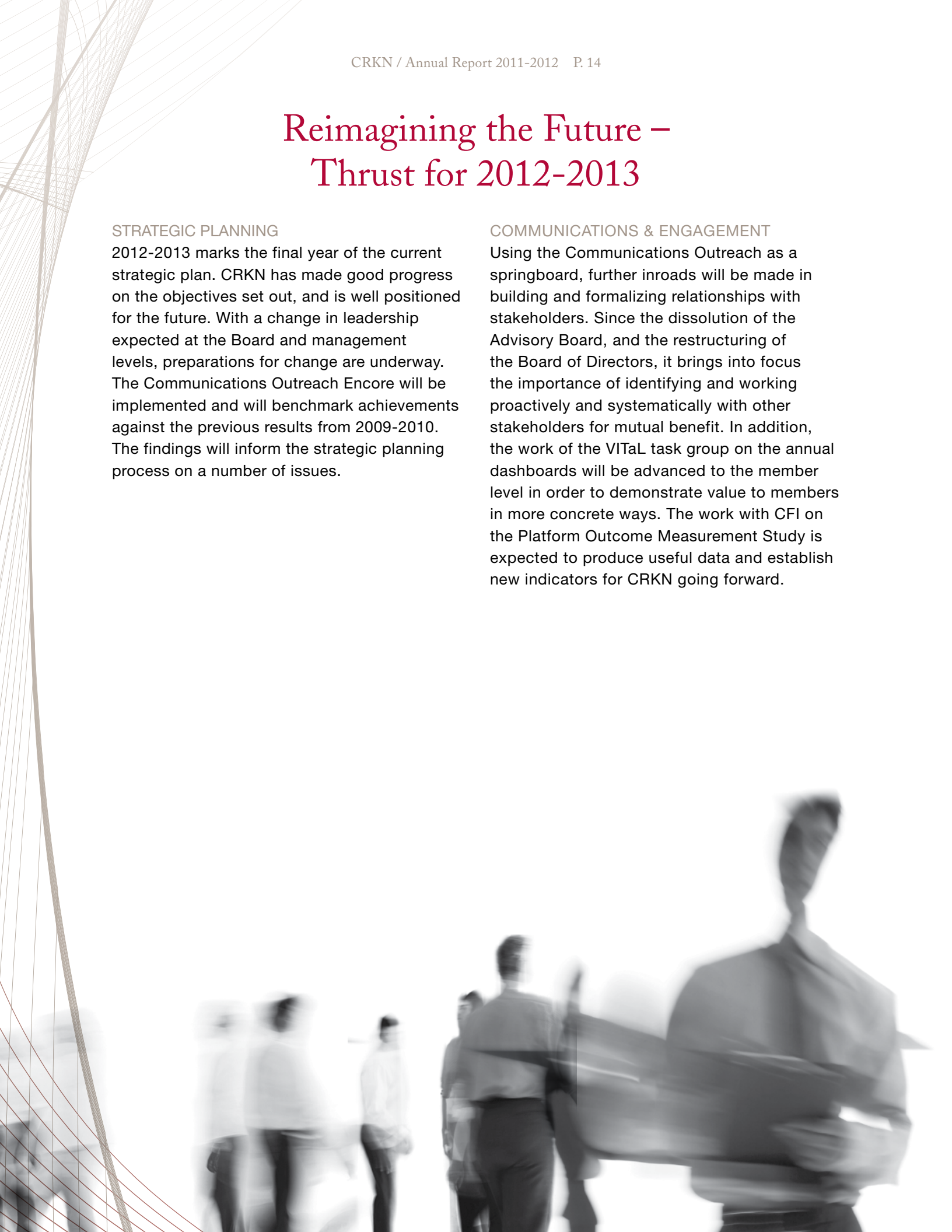
Reimagining the Future – Thrust for 2012-2013

STRATEGIC PLANNING

2012-2013 marks the final year of the current strategic plan. CRKN has made good progress on the objectives set out, and is well positioned for the future. With a change in leadership expected at the Board and management levels, preparations for change are underway. The Communications Outreach Encore will be implemented and will benchmark achievements against the previous results from 2009-2010. The findings will inform the strategic planning process on a number of issues.

COMMUNICATIONS & ENGAGEMENT

Using the Communications Outreach as a springboard, further inroads will be made in building and formalizing relationships with stakeholders. Since the dissolution of the Advisory Board, and the restructuring of the Board of Directors, it brings into focus the importance of identifying and working proactively and systematically with other stakeholders for mutual benefit. In addition, the work of the VITaL task group on the annual dashboards will be advanced to the member level in order to demonstrate value to members in more concrete ways. The work with CFI on the Platform Outcome Measurement Study is expected to produce useful data and establish new indicators for CRKN going forward.



PROGRAM DEVELOPMENT

The upcoming year will be a busy year for negotiations with 18 licenses scheduled for renewal. The task group activity will continue to be very active as issues move through the issue identification and recommendation phases.

GOVERNANCE

Continued focus will be placed on compliance with the new Canada Not-for-Profit Corporations Act and the review of the committee structure under the restructured Board.



Board of Directors

David Barnard, Chair

President and Vice-Chancellor
University of Manitoba

Michael Ridley, Vice-Chair*

(to October 2011)
Chief Information Officer &
Chief Librarian
University of Guelph

Martha Whitehead, Vice-Chair*

(to February 2012)
University Librarian
Queen's University

Donna Bourne-Tyson, Vice-Chair*

(May 2011 -)
University Librarian
Dalhousie University

Ronald Bond*

(to February 2012)
Provost Emeritus
University of Calgary

Christopher Callbeck, Treasurer*

(February 2012 -)
Assistant Vice President,
Financial & Administrative Services
University of New Brunswick, Saint John campus

Robert Clarke*

(February 2012 -)
University Librarian
Trent University

Christian Detellier

(June 2011-February 2012)
Associate Vice-President, Research
University of Ottawa

Richard Dumont

(February 2012 -)
General Manager, Libraries Branch
Université de Montréal

Charles Eckman

University Librarian and Dean of Library Services
Simon Fraser University



Karen Grant*

Vice-Provost, Academic Affairs
University of Manitoba

Thomas Hickerson

(to February 2012)
Vice-Provost and University Librarian
University of Calgary

Kim Isaac

(to October 2011)
University Librarian
University of the Fraser Valley

Gregory Kealey

(to February 2012)
Provost and Vice-President, Research
University of New Brunswick

Mona Nemer

(to June 2011)
Vice-President, Research
University of Ottawa

Alison Nussbaumer*

(October 2011 -)
University Librarian
University of Lethbridge

Ingrid Parent, Treasurer*

(to February 2012)
University Librarian
University of British Columbia

Benoit Séguin

Library Director
Université du Québec à Trois-Rivières

Leslie Weir

(June 2011 -)
University Librarian
University of Ottawa

Steve Wills

(to February 2012)
Manager, Government Relations
and Legal Affairs
Association of Universities
and Colleges of Canada

*Member of the Executive Committee



Board of Directors, March 2012

Back row left to right: David Barnard,
Deb deBruijn, Richard Dumont,
Charles Eckman, Karen Grant,
Alison Nussbaumer, Robert Clarke

Front Row: Donna Bourne-Tyson,
Benoit Séguin, Chris Callbeck, Leslie Weir

Committees

NEGOTIATIONS RESOURCE TEAM

Charles Eckman, Chair
University Librarian and Dean
of Library Services
Simon Fraser University

Benoit Séguin, Vice Chair
Library Director
Université du Québec à Trois-Rivières

John Durno
Head, Library Systems
University of Victoria

Jocelyn Godolphin
Associate University Librarian,
Collection Services
Concordia University

Louis Houle
Associate Director, Client Services
Sciences, Health and Engineering
McGill University

Tony Horava
Associate University Librarian, Collections
University of Ottawa

Charlotte Innerd (December 2011 -)
Head, Collection Development and Acquisitions
Wilfrid Laurier University

Joy Kirchner (to April 2011)
Collections, Licensing and Digital Scholarship
Librarian
University of British Columbia

Denise Koufogiannakis
Collections & Acquisitions Coordinator
University of Alberta

Lisa Petrachenko (April 2011 -)
Library Collections Management
University of Victoria

Carol Stephenson (to November 2011)
Head of Collections and Associate University
Librarian
Wilfrid Laurier University

Peter Webster
Systems Librarian
Saint Mary's University

Louise White
Associate University Librarian
Marine Institute & Music Resource Centre
Memorial University of Newfoundland



Negotiations Resource Team, March 2012
Back row: Jocelyn Godolphin, Louise White,
Benoit Séguin, Tony Horava, Peter Webster,
Craig Olsvik, Charlotte Innerd

Front row: Lisa Petrachenko, Louis Houle,
Chuck Eckman, Monica Ward, Beth Dunning

The **Negotiations Resource Team** was pleased to see the increased member participation in licenses as well as cost containment in license expenditures over the past year. The first-time international collaboration for new content that is under discussion with JISC (UK) and Center for Research Libraries (CRL) has also caught member interest. This engagement underscores the value that CRKN generates for members in accordance with the strategic plan.

Chuck Eckman, Chair, NRT

FINANCE & AUDIT COMMITTEE

Ingrid Parent, Chair (to February 2012)

University Librarian
University of British Columbia

Kathleen De Long (February 2012 -)

Associate University Librarian
University of Alberta

Christopher Callbeck, Chair (February 2012 -)

Assistant Vice President, Financial &
Administrative Services
University of New Brunswick, Saint John campus

Gayle Gorrill

Vice-President, Finance and Operations
University of Victoria

Albert Caponi (to November 2011)

Assistant Vice-Principal, Financial Services
McGill University

Karen Grant

Vice-Provost, Academic Affairs
University of Manitoba

Darrell Cochrane

Controller
Dalhousie University

Lucie Mercier-Gauthier (to June 2011)

Associate Vice-President, Student Services
University of Ottawa

The **Finance & Audit Committee** oversaw two significant activities this year – the relocation of CRKN offices to smaller quarters and the adoption of new accounting standards for Canadian not-for-profit organizations. Both activities were completed according to plan, and without disruption to member service.

Christopher Callbeck, Chair, Finance & Audit Committee

GOVERNANCE COMMITTEE

Gregory Kealey, Chair
(to February 2012)
Provost and Vice-President,
Research
University of New Brunswick

Thomas Hickerson
(to February 2012)
Vice-Provost & University
Librarian
University of Calgary

Martha Whitehead
(June 2011 – February 2012)
University Librarian
Queen's University

Ronald Bond
(to February 2012)
Provost Emeritus
University of Calgary

Mona Nemer
(to June 2011)
Vice-President, Research
University of Ottawa

Steve Wills (to February 2012)
Manager, Government Relations
and Legal Affairs
Association of Universities and
Colleges of Canada

The **Governance Committee** oversaw the completion of the governance review initiated in 2010 as a component of CRKN 10th anniversary reflections and to comply with the new Canada Not-for-Profit Corporations Act. The Final Report and Recommendations were delivered to the Board and endorsed by member vote at the 2011 AGM. This resulted in implementation of a smaller restructured Board of Directors in February 2012.

Gregory Kealey, Chair, Governance Committee

VALUE, INFLUENCE, TRENDS AND LEADERSHIP (VITaL) TASK GROUP

Joyce Garnett, Chair
University Librarian
Western University

Ronald Bond
(to February 2012)
Provost Emeritus
University of Calgary

Katherine Schultz
Vice President Research &
Development
University of
Prince Edward Island

Sylvie Belzile
Director General
Library and Archives Services
Université de Sherbrooke

Helen Clarke
Associate Vice-Provost
Collections
University of Calgary

John Teskey
Director of Libraries
University of New Brunswick

The **Value, Influence, Trends, and Leadership Task Group** continues to advance its work to establish and report performance indicators. This year the focus of activity was to prepare the annual Narrative and Dashboard, and to advance the work in collaboration with CFI on the Platform Outcome Measurement Study (POMS) in anticipation of CFI's international expert panel set to meet later in the year.

Joyce Garnett, Chair, VITaL Task Group

Staff

Deb deBruijn

Executive Director
Tel : 613-907-7029
Cell: 613-882-8966
debruijn@crkn.ca

Donald Bidd

Manager, Content Programs
Tel: 613-907-7036
Cell: 613-851-9911
dbidd@crkn.ca

Ken Blonski

Director of Operations
Tel: 613-907-7030
Cell: 613-853-1911
kblonski@crkn.ca

Office Administrator

Tel: 613-907-7032
info@crkn-rcdr.ca

Bill Kuurstra (Contractor)

Finance Officer
Tel: 613-907-7037
finance@crkn.ca

Craig Olsvik

Member Services & Licensing Officer
Tel: 613-907-7033
Cell: 613-769-1832
colsvik@crkn.ca

Dyna Vink

Director of Communications
Tel: 613-907-7034
Cell: 613-797-0188
dvink@crkn.ca

Monica Ward

Member Services & Licensing Officer
Tel: 613-907-7031
Cell: 613-219-6919
mward@crkn.ca

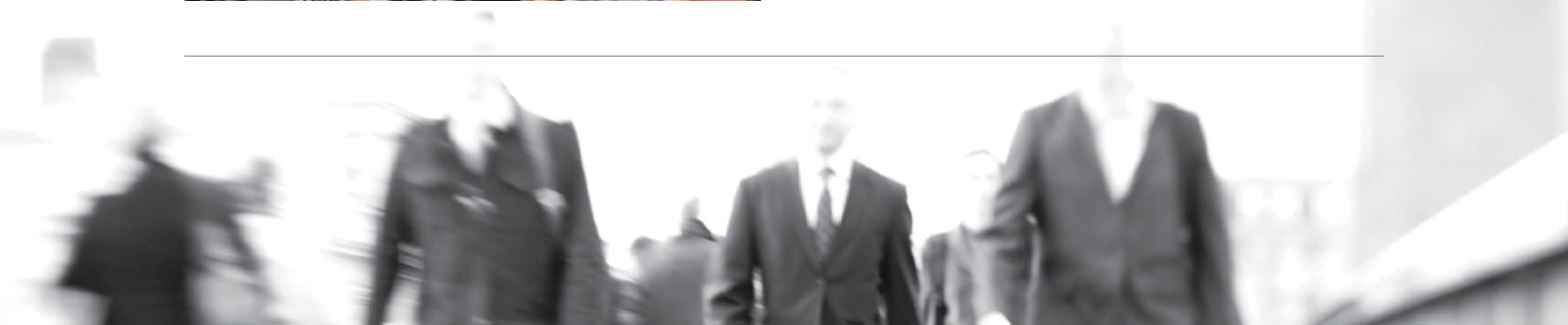


CRKN Staff, July 2012

Back row: Craig Olsvik, Ken Blonski,
Bill Kuurstra

Centre row: Don Bidd, Dyna Vink,
Anne-Marie Ethier

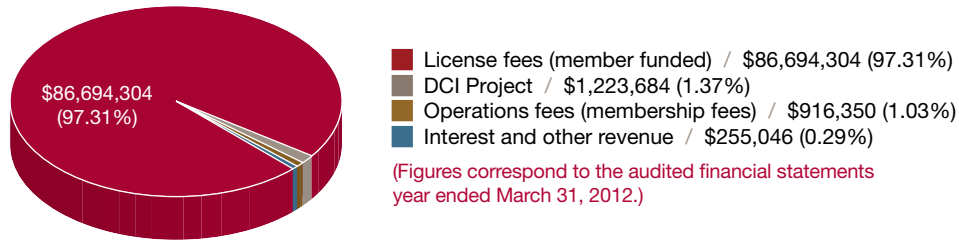
Front row: Deb deBruijn, Monica Ward



Financial Highlights

CRKN operates a lean administration focused on efficiency, best practises and conservative management. As shown in the 2011-2012 Revenues chart, CRKN's primary revenue source is derived from member funded license fees, followed by revenues associated with the DCI Project, membership fees and interest income.

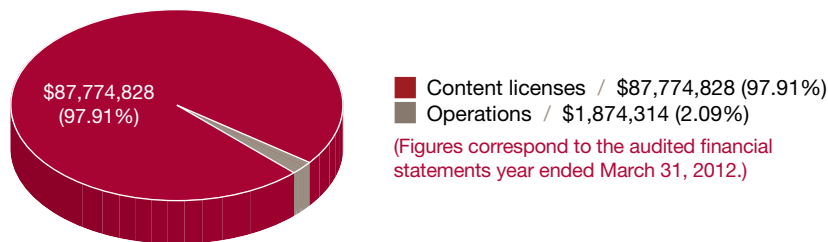
CRKN 2011-2012 REVENUES



CRKN revenues for the fiscal year of 2011-2012 were \$89.1M derived from content license fees, the DCI Project, membership fees and miscellaneous income.

On the expenditure side, 98% of CRKN expenditures are for content licenses. Operations – including Administration, Salaries and benefits, Professional fees, and Governance – account for 2% of expenditures. This makes CRKN one of the leanest and most efficient administrations in the not-for-profit sector.

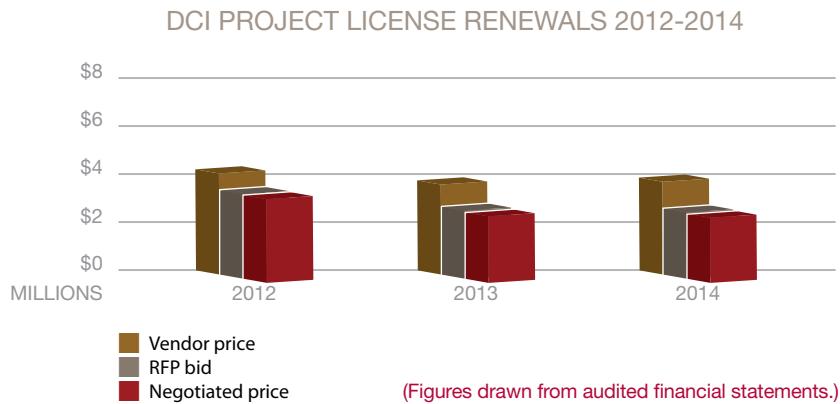
CRKN 2011-2012 EXPENDITURES



98% of expenditures for the 2011-2012 fiscal year consisted of content licensing fees. The balance was made up of Administration, Salaries and benefits, Professional fees and Governance.

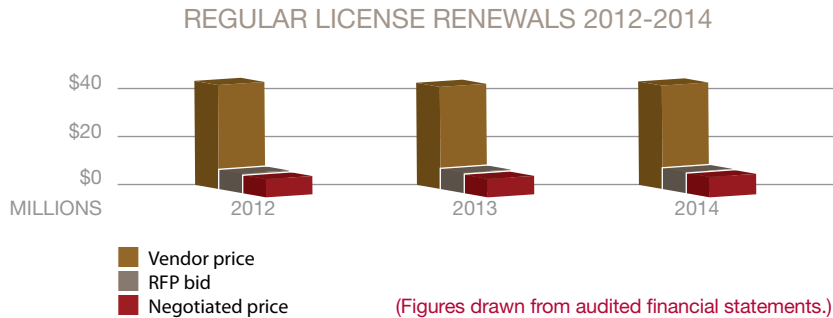
Value for Membership

Membership continues to offer value year over year. On the 8 DCI Project renewal licenses completed for 2012-2014, CRKN was able to negotiate significant price and content benefits for participants. Members reap the benefit from the one-time payments made in the first 3 years of the agreement – at a negotiated price of \$43.24M compared with vendor price of \$208.66M - by paying lower recurring fees for ongoing access to licensed content for the next three years.



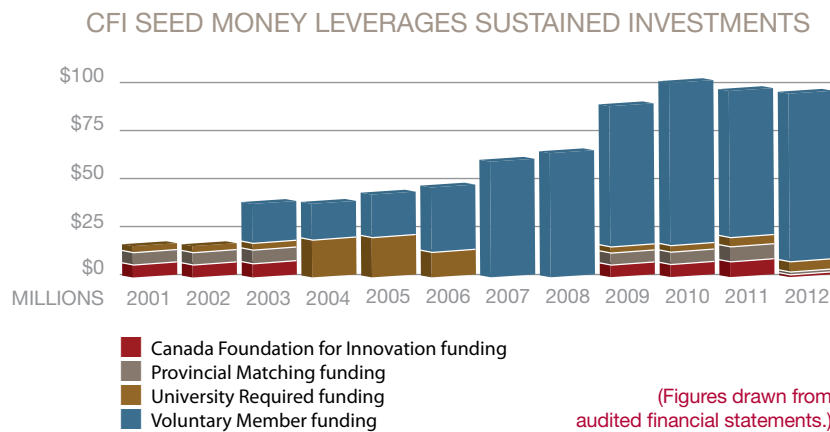
Between 2012 – 2014 institutions participating in the DCI Project licenses will pay access fees negotiated to a cumulative price of \$8.38M, compared with the vendor price outside the consortium of \$11.58M.

Building on the unbundling carried out in the last negotiation, seven regular license renewals were negotiated for a cumulative \$18.03M, less than the RFP price of \$18.31M, and in contrast with the vendor price of \$126.89M outside the consortium.



CRKN delivered value for membership with 7 regular license renewals negotiated for a cumulative \$18.03M, less than the RFP price of \$18.31M, and in contrast with the vendor price of \$126.89M outside the consortium.

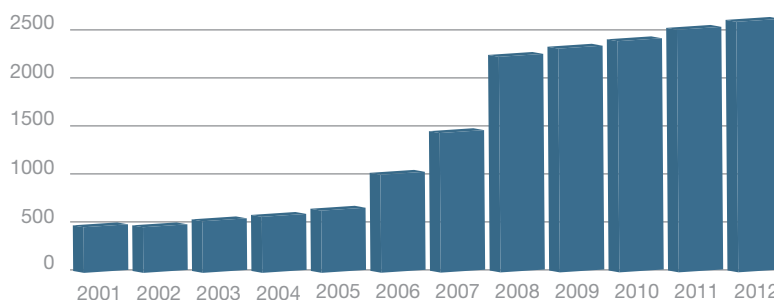
It is evident how important the Canada Foundation for Innovation (CFI) investment has been in establishing a collaborative infrastructure for digital research. In 2001 CFI invested 40% (\$20 million) in support of the Canadian National Site Licensing Project; the remaining 60% was matched by provincial governments and member institutions. Leveraging those contributions, members continue to invest in high value content, creating additional value through advantageous licensing terms, collaborative interdisciplinary research, and brain-gain recruitment. In 2009 CFI invested again in the DCI Project (\$19.1 million). Since its inception and including the activities of its forerunner the CNSLP, CRKN has secured more than \$767 million of content on behalf of its member institutions. A conservative estimate suggests that if CRKN-licensed content were to be acquired on an institution-by-institution basis, costs to CRKN members would be nearly \$2.2 billion over the same time frame (all figures expressed in CAD valued at March 31, 2012).



The first year investment of \$6.2 million made by CFI in 2001 for the Canadian National Site Licensing Project (\$20 million total) has leveraged digital content for more than \$89 million in 2012 through investment from provincial funding partners and the member institutions. While license participation has steadily increased, favorable exchange rates and the low recurring costs of the DCI Project result in lower costs for the same content. This demonstrates the value generated from CRKN's collaborative infrastructure.

INCREASED PARTICIPATION

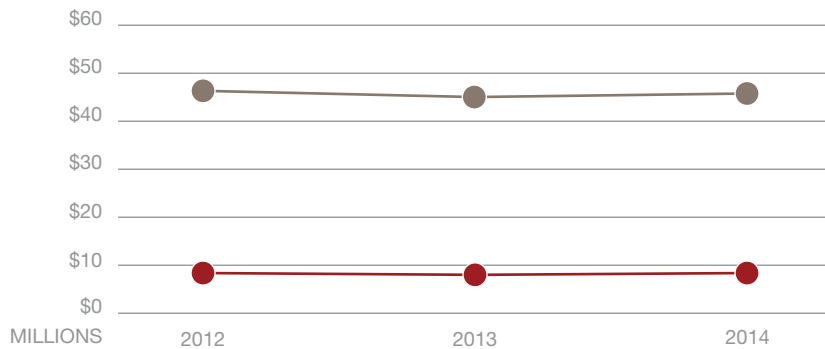
License participation continues to increase in spite of the challenging economic environment. 2012 levels of participation are 4% higher than 2011. This trend includes one-time-only purchases combined with multi-year licenses with 75 members.



In 2012 CRKN had 52 licenses which enjoyed participation through 2,616 agreements with members. This participation has increased significantly from 33 licenses across 1,487 agreements in 2007 before the DCI Project.

In combining the 7 regular license and the DCI Project renewals, CRKN has negotiated contracts for an annual price under \$9M compared with the vendor price outside the consortium of \$46M. Members benefit from negotiated pricing, as well as protection from excessive annual increases. Over the three-year contracts, members will pay a cumulative negotiated price of \$26.41M compared with a cumulative vendor price of \$138.47M.

REGULAR & DCI RENEWALS COMPARING VENDOR & NEGOTIATED PRICE 2012-2014

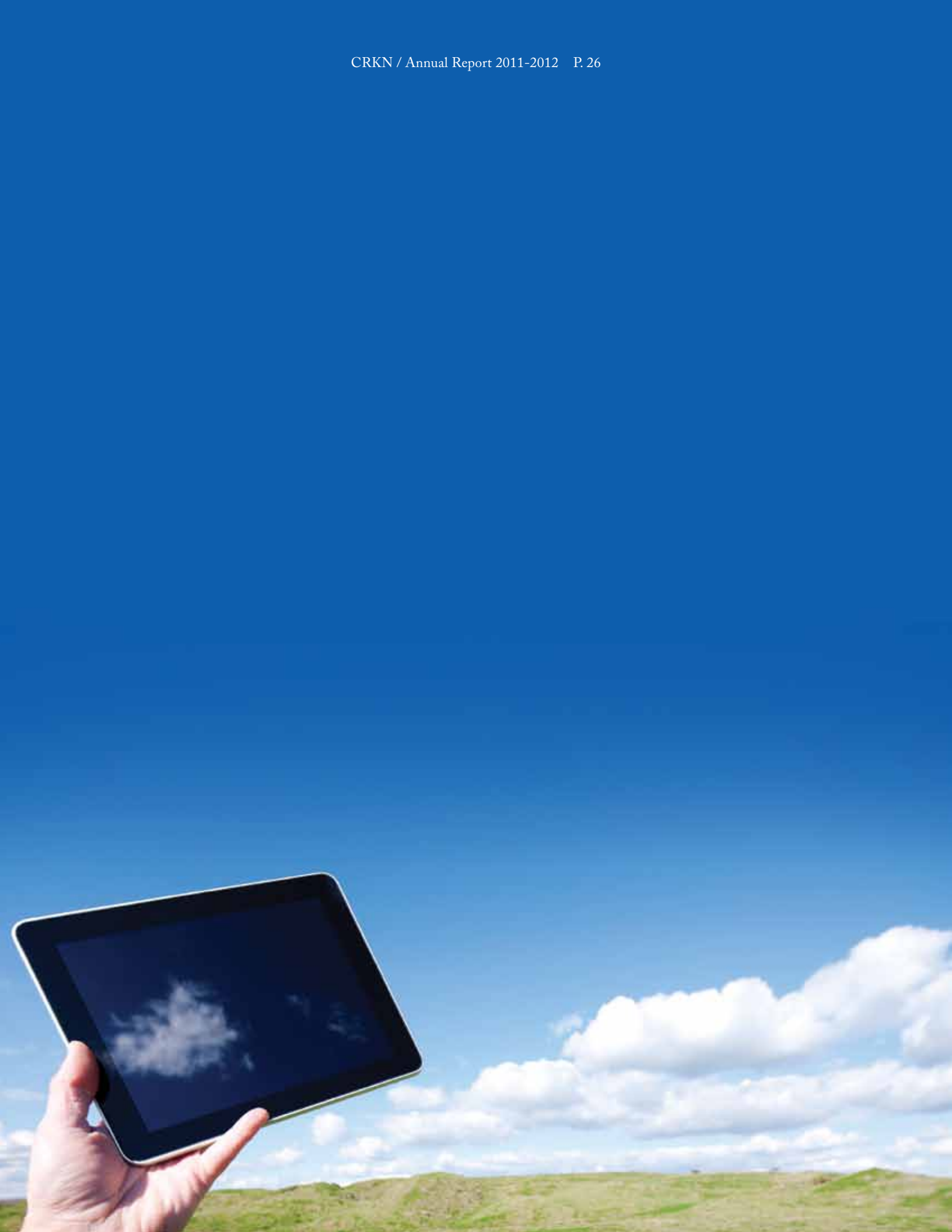


WEBSITE USAGE

CRKN has been tracking website usage statistics since April 2010 for both its public organizational site and the member-only License Information Module (LIM). The LIM supports 520 accounts and provides a technical information source that is consulted for an average of 8 minutes per visit compared with one-minute industry averages. Its use has increased dramatically (58%) in the past year, driven in part by the introduction of the Listserv+ with 3,000 visits. The English organizational site enjoyed modest growth in visits and page views, and a 27% increase in visit time. By contrast, the French site visits and page views declined significantly, while the time on site increased. In March 2012 CRKN launched the French-language LIM.

USAGE OF CRKN WEBSITES (APRIL 1, 2011 – MARCH 31, 2012)

	VISITS	PAGE VIEWS	AVERAGE TIME (MINUTES)
License Information Module (English)	13,045	104,205	8:02
CRKN Organization – French	2,339	9,516	4:30
CRKN Organization - English	16,688	66,679	4:23



*Financial Statements of
États financiers du*

**CANADIAN RESEARCH
KNOWLEDGE NETWORK**

**RÉSEAU CANADIEN DE DOCUMENTATION
POUR LA RECHERCHE**

*March 31, 2012
31 mars 2012*



Independent Auditor's Report

To the Members of
Canadian Research Knowledge Network

Report on the Financial Statements

We have audited the accompanying financial statements of Canadian Research Knowledge Network (CRKN), which comprise the statements of financial position as at March 31, 2012, March 31, 2011 and April 1, 2010 and the statements of revenue and expenses, changes in net assets and cash flows for the years ended March 31, 2012 and March 31, 2011, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Canadian accounting standards for not-for-profit organizations, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

Rapport de l'auditeur indépendant

Aux membres du
Réseau canadien de documentation pour la recherche

Rapport sur les états financiers

Nous avons effectué l'audit des états financiers ci-joints du Réseau canadien de documentation pour la recherche (RCDR), qui comprennent les bilans aux 31 mars 2012, 31 mars 2011 et 1^{er} avril 2010 et les états des revenus et des dépenses, de l'évolution de l'actif net et des flux de trésorerie des exercices clos les 31 mars 2012 et 31 mars 2011 ainsi qu'un résumé des principales méthodes comptables et d'autres informations explicatives.

Responsabilité de la direction pour les états financiers

La direction est responsable de la préparation et de la présentation fidèle de ces états financiers conformément aux normes comptables canadiennes pour les organismes sans but lucratif, ainsi que du contrôle interne qu'elle considère comme nécessaire pour permettre la préparation d'états financiers exempts d'anomalies significatives, que celles-ci résultent de fraudes ou d'erreurs.

Responsabilité de l'auditeur

Notre responsabilité consiste à exprimer une opinion sur les états financiers, sur la base de notre audit. Nous avons effectué notre audit selon les normes d'audit généralement reconnues du Canada. Ces normes requièrent que nous nous conformions aux règles de déontologie et que nous planifions et réalisons l'audit de façon à obtenir l'assurance raisonnable que les états financiers ne comportent pas d'anomalies significatives.

Un audit implique la mise en œuvre de procédures en vue de recueillir des éléments probants concernant les montants et les informations fournis dans les états financiers. Le choix des procédures relève du jugement de l'auditeur, et notamment de son évaluation des risques que les états financiers comportent des anomalies significatives, que celles-ci résultent de fraudes ou d'erreurs. Dans l'évaluation de ces risques, l'auditeur prend en considération le contrôle interne de l'entité portant sur la préparation et la présentation fidèle des états financiers afin de concevoir des procédures d'audit appropriées aux circonstances, et non dans le but d'exprimer une opinion sur l'efficacité du contrôle interne de l'entité. Un audit comporte également l'appréciation du caractère approprié des méthodes comptables retenues et du caractère raisonnable des estimations comptables faites par la direction, de même que l'appréciation de la présentation d'ensemble des états financiers.

Independent Auditor's Report (continued)

Auditor's Responsibility (continued)

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements present fairly, in all material respects, the financial position of the CRKN as at March 31, 2012, March 31, 2011 and April 1, 2010 and the results of its operations and its cash flows for the years ended March 31, 2012 and March 31, 2011 in accordance with Canadian standards for not-for-profit organizations.

Emphasis of Matter

Without modifying our opinion, we draw attention to note 2 to the financial statements and the fact that CRKN adopted the new accounting standards for not-for-profit organizations for its March 31, 2012 financial statements prior to the mandatory implementation date.

Report on Other Legal and Regulatory Requirements

As required by the Canada Corporations Act, we report that, in our opinion, these principles have been applied on a basis consistent with that of the preceding year.

Rapport de l'auditeur indépendant (suite)

Responsabilité de l'auditeur (suite)

Nous estimons que les éléments probants que nous avons obtenus sont suffisants et appropriés pour fonder notre opinion d'audit.

Opinion

À notre avis, les états financiers donnent, dans tous leurs aspects significatifs, une image fidèle de la situation financière du RCDR aux 31 mars 2012, 31 mars 2011 et 1^{er} avril 2010, ainsi que de ses résultats d'exploitation et de ses flux de trésorerie pour les exercices clos les 31 mars 2012 et 31 mars 2011, conformément aux normes comptables canadiennes pour les organismes sans but lucratif.

Observations

Sans pour autant modifier notre opinion, nous attirons l'attention sur la note 2 des états financiers qui indique que RCDR a adopté les nouvelles normes canadiennes pour organismes sans but lucratif avant la mise en application obligatoire pour ses états financiers de l'exercice clos le 31 mars 2012.

Rapport relatif à d'autres exigences légales et réglementaires

Selon les exigences de la Loi sur les corporations canadiennes, nous déclarons qu'à notre avis, ces principes ont été appliqués de la même manière qu'au cours de l'exercice précédent.

Deloitte & Touche LLP/s.r.l.

Chartered Accountants
Licensed Public Accountants

June 22, 2012

Comptables agréés
Experts-comptables autorisés

Le 22 juin 2012

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Statements of Changes in Net Assets	3	États de l'évolution de l'actif net
Statements of Cash Flows	4	États des flux de trésorerie
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Schedule B - DCI Sustainability Revenue and Expenses	15	Annexe B - Revenus et dépenses de la période de soutenabilité de l'ICN

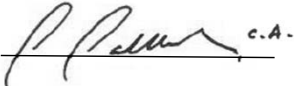
**CANADIAN RESEARCH
KNOWLEDGE NETWORK**
Statements of Financial Position
as at March 31, 2012, March 31, 2011 and April 1, 2010

**RÉSEAU CANADIEN DE DOCUMENTATION
POUR LA RECHERCHE**
Bilans
aux 31 mars 2012, 31 mars 2011 et 1^{er} avril 2010

	March 31, 31 mars 2012	March 31, 31 mars 2011	April 1, 1 ^{er} avril 2010	
CURRENT ASSETS				ACTIF À COURT TERME
Cash	\$ 2,076,927	\$ 2,399,171	\$ 24,819,722	Encaisse
License and operations fees receivable	279,990	1,450,030	7,459,734	Frais de licences et d'exploitation à recevoir
Government remittances receivable	1,972,137	181,641	49,930	Sommes à recevoir de l'État
Canada Foundation for Innovation (CFI) holdback receivable	17,094	154,924	292,472	Retenue sur contrat recevable de la Fondation canadienne pour l'innovation (FCI)
Prepaid licenses	64,063,766	60,055,618	53,259,362	Licences payées d'avance
Prepaid licenses - Digital Content Infrastructure (DCI) project	-	1,016,600	3,155,133	Licences payées d'avance - Projet de l'infrastructure de contenu numérique (ICN)
Prepaid licenses - DCI sustainability period	2,594,371	1,677,600	-	Licences payées d'avance - Période de soutenabilité du projet de l'ICN
Other prepaid expenses	58,072	56,035	32,830	Autres frais payés d'avance
	71,062,357	66,991,619	89,069,183	
CAPITAL ASSETS (note 5)	121,783	231,530	217,478	IMMOBILISATIONS CORPORELLES (note 5)
	\$ 71,184,140	\$ 67,223,149	\$ 89,286,661	
CURRENT LIABILITIES				PASSIF À COURT TERME
Accounts payable and accrued liabilities	\$ 1,911,498	\$ 410,422	\$ 12,047,226	Créditeurs et frais cours
Government remittances payable	67,769	780	1,017,859	Sommes à remettre à l'État
Deferred revenue for license fees (note 6)	64,404,534	61,175,032	60,649,103	Revenus reportés relatifs aux frais de licences (note 6)
Deferred revenue - DCI project (initial period) (note 7)	226,915	1,135,185	12,791,812	Revenus reportés - Projet de l'ICN (période initiale) (note 7)
Deferred revenue - DCI sustainability period (note 8)	2,482,447	1,850,995	-	Revenus reportés - Période de soutenabilité du projet de l'ICN (note 8)
	69,093,163	64,572,414	86,506,000	
NET ASSETS				ACTIF NET
Invested in capital assets	121,783	231,530	217,478	Investi en immobilisations corporelles
Internally restricted (note 11)	17,094	154,924	700,000	Affecté d'origine interne (note 11)
Unrestricted	1,952,100	2,264,281	1,863,183	Non affecté
	2,090,977	2,650,735	2,780,661	
	\$ 71,184,140	\$ 67,223,149	\$ 89,286,661	

APPROVED BY THE BOARD OF DIRECTORS

Administrator  Administrateur

Administrator  Administrateur

AU NOM DU CONSEIL D'ADMINISTRATION

**CANADIAN RESEARCH
KNOWLEDGE NETWORK**
Statements of Revenue and Expenses
years ended March 31, 2012 and 2011

**RÉSEAU CANADIEN DE DOCUMENTATION
POUR LA RECHERCHE**
États des revenus et des dépenses
des exercices clos les 31 mars 2012 et 2011

	Budget 2012 (unaudited) (non audité)	2012	2011	
Revenue				Revenus
License fees	\$ 93,857,565	\$ 82,187,544	\$ 79,140,469	Frais de licences
DCI project (initial period) (Schedule A)	1,200,000	1,223,684	16,792,817	Projet de l'ICN (période initiale) (Annexe A)
DCI sustainability period (Schedule B)	6,261,674	4,506,760	710,782	Période de soutenabilité du projet de l'ICN (Annexe B)
Operations fees	916,350	916,350	894,000	Frais d'exploitation
Interest revenue	150,000	203,291	161,091	Intérêts
Other revenue	47,600	51,755	38,283	Autres revenus
	102,433,189	89,089,384	97,737,442	
Expenses				Dépenses
Licenses	93,857,565	82,187,544	79,157,310	Licences
DCI project (initial period) (Schedule A)	1,200,000	1,223,684	16,792,817	Projet de l'ICN (période initiale) (Annexe A)
DCI sustainability period (Schedule B)	6,261,674	4,506,760	710,782	Période de soutenabilité du projet de l'ICN (Annexe B)
Salaries and benefits	610,874	540,669	556,106	Salaires et avantages sociaux
Professional fees	187,090	290,367	124,066	Honoraires professionnels
Insurance	6,580	6,673	6,580	Assurances
Administration	532,742	504,759	267,831	Administration
Telecommunications	15,768	13,993	14,354	Télécommunications
Meetings and conferences	75,025	89,600	67,875	Réunions et conférences
Meals, travel and accommodations	89,910	86,273	110,331	Repas, déplacements et logements
Amortization of capital assets	198,709	198,820	59,316	Amortissement des immobilisations corporelles
	103,035,937	89,649,142	97,867,368	
EXCESS OF EXPENSES OVER REVENUE	\$ (602,748)	\$ (559,758)	\$ (129,926)	EXCÉDENT DES DÉPENSES SUR LES REVENUS

**CANADIAN RESEARCH
KNOWLEDGE NETWORK**
Statements of Changes in Net Assets
years ended March 31, 2012 and 2011

**RÉSEAU CANADIEN DE DOCUMENTATION
POUR LA RECHERCHE**
États de l'évolution de l'actif net
des exercices clos les 31 mars 2012 et 2011

	Invested in Capital Assets	Internally Restricted	Unrestricted		Total	
			Affecté d'origine interne	Non affecté		
BALANCE, BEGINNING OF YEAR	\$ 231,530	\$ 154,924	\$ 2,264,281	\$ 2,650,735	\$ 2,780,661	SOLDE AU DÉBUT
Excess of expenses over revenue	-	-	(559,758)	(559,758)	(129,926)	Excédent des dépenses sur les revenus
Purchase of capital assets	89,073	-	(89,073)	-	-	Acquisition d'immobilisations corporelles
Amortization of capital assets	(198,820)	-	198,820	-	-	Amortissement des immobilisations corporelles
Transfer (note 11)	-	(137,830)	137,830	-	-	Transfert (note 11)
BALANCE, END OF YEAR	\$ 121,783	\$ 17,094	\$ 1,952,100	\$ 2,090,977	\$ 2,650,735	SOLDE À LA FIN

**CANADIAN RESEARCH
KNOWLEDGE NETWORK**
Statements of Cash Flows
years ended March 31, 2012 and 2011

**RÉSEAU CANADIEN DE DOCUMENTATION
POUR LA RECHERCHE**
États des flux de trésorerie
des exercices clos les 31 mars 2012 et 2011

	<u>2012</u>	<u>2011</u>	
NET INFLOW (OUTFLOW) OF CASH RELATED TO THE FOLLOWING ACTIVITIES:			AUGMENTATION (DIMINUTION) DE L'ENCAISSE LIÉE AUX ACTIVITÉS SUIVANTES :
OPERATING			EXPLOITATION
Excess of expenses over revenues	\$ (559,758)	\$ (129,926)	Excédent des dépenses sur les revenus
Item not affecting cash			Élément sans incidence sur l'encaisse
Amortization of capital assets	198,820	59,316	Amortissement des immobilisations corporelles
	(360,938)	(70,610)	
Changes in non-cash operating working capital items:			Variation des éléments hors caisse du fonds de roulement d'exploitation :
Decrease in license and operations fees receivable	1,170,040	6,009,704	Diminution des frais de licences et d'exploitation à recevoir
Increase in Government remittances receivable	(1,790,496)	(131,711)	Augmentation des sommes à recevoir de l'État
Decrease in CFI holdback receivable	137,830	137,548	Diminution de la retenue sur contrat recevable de la FCI
Decrease (increase) in prepaid licenses	(3,908,319)	(6,335,323)	Diminution (augmentation) des licences payées d'avance
Decrease (increase) in other prepaids	(2,037)	(23,205)	Diminution (augmentation) des autres frais payés d'avance
Increase (decrease) in accounts payable and accrued liabilities	1,501,076	(11,636,804)	Augmentation (diminution) des créiteurs et frais courus
Increase (decrease) in Government remittances payable	66,989	(1,017,079)	Augmentation (diminution) des sommes à payer à l'État
Increase (decrease) in deferred revenue	2,952,684	(9,279,703)	Augmentation (diminution) des revenus reportés
	(233,171)	(22,347,183)	
INVESTING			INVESTISSEMENT
Purchase of capital assets	(89,073)	(73,368)	Acquisition d'immobilisations corporelles
NET CASH OUTFLOW	(322,244)	(22,420,551)	DIMINUTION NETTE DE L'ENCAISSE
CASH, BEGINNING OF YEAR	2,399,171	24,819,722	ENCAISSE AU DÉBUT
CASH, END OF YEAR	\$ 2,076,927	\$ 2,399,171	ENCAISSE À LA FIN

1. NATURE OF ACTIVITIES

The Canadian Research Knowledge Network (CRKN) was incorporated on April 1, 2004 under the Canada Corporations Act. Its mission is to expand digital content for the academic research enterprise in Canada. Through the coordinated leadership of librarians, researchers, and administrators, CRKN undertakes large-scale content acquisition and licensing initiatives in order to build knowledge infrastructure and research capacity in Canada's universities.

The CRKN is a federally-incorporated not-for-profit organization and as such is exempt from income taxes.

2. ADOPTION OF A NEW ACCOUNTING FRAMEWORK

During the year ended March 31, 2012, CRKN adopted the new accounting standards for not-for-profit organizations (the "new standards") issued by the Canadian Institute of Chartered Accountants ("CICA"). In accordance with Section 1500 of the CICA Handbook, *First-Time Adoption*, ("Section 1500"), the date of transition to the new standards is April 1, 2010 and CRKN has prepared and presented an opening balance sheet at the date of transition to the new standards. This opening balance sheet is the starting point for the entity's accounting under the new standards. In its opening balance sheet, under the recommendations of Section 1500, CRKN:

- a) recognized all assets and liabilities whose recognition is required by the new standards;
- b) did not recognize items as assets or liabilities if the new standards do not permit such recognition;
- c) reclassified items that it recognized previously as one type of asset, liability or component of net assets, but are recognized as a different type of asset, liability or component of net assets under the new standards; and
- d) applied the new standards in measuring all recognized assets and liabilities.

In accordance with the requirements of Section 1500, the accounting policies set out in Note 3 have been consistently applied to all years presented and adjustments resulting from the adoption of the new standards have been applied retrospectively.

1. DESCRIPTION DES ACTIVITÉS

Le Réseau canadien de documentation pour la recherche (RCDR) a été constitué le 1^{er} avril 2004 en vertu de la Loi sur les corporations canadiennes. Sa mission a pour objet l'expansion du contenu numérique pour la recherche universitaire au Canada. Sous la direction concertée de bibliothécaires, de chercheurs et d'administrateurs, le RCDR fait l'acquisition du contenu et négocie des licences sur une grande échelle en vue de bâtir une infrastructure de connaissance et une capacité de recherche dans les universités canadiennes.

Le RCDR est un organisme sans but lucratif et est, par conséquent, exonéré d'impôt.

2. ADOPTION DU NOUVEAU RÉFÉRENTIEL COMPTABLE

Au cours de l'exercice clos le 31 mars 2012, la société a adopté les nouvelles normes comptables pour organismes sans but lucratif (les "nouvelles normes") adoptées par l'Institut Canadien des comptables agréés (ICCA). Conformément au chapitre 1500 du Manuel de l'ICCA intitulé *Application initiale des normes*, la date de transition des nouvelles normes est le 1^{er} avril 2010 et la société a préparé et présenté un bilan d'ouverture en date de cette transition aux nouvelles normes. Ce bilan d'ouverture représente le point de départ de sa comptabilité selon les normes comptables pour les entreprises à capital fermé. Dans son bilan d'ouverture et en vertu des recommandations du chapitre 1500, la société :

- a) comptabilise tous les actifs et passifs dont la comptabilisation est prescrite par les normes;
- b) ne comptabilise pas des éléments en tant qu'actifs ou passifs si les normes n'autorisent pas une telle comptabilisation;
- c) reclasse les éléments qu'elle comptabilisait auparavant dans une catégorie donnée d'actifs, de passifs ou de composantes des actifs nets, mais qui, selon les normes, appartiennent à une autre catégorie donnée d'actifs, de passifs ou de composantes des actifs nets;
- d) applique les normes pour l'évaluation de tous les actifs et passifs comptabilisés.

Conformément aux exigences du chapitre 1500, les méthodes comptables décrites à la note 3 ont été appliquées de la même manière pour les années présentées et les ajustements provenant de l'adoption des nouvelles normes ont été appliqués à postériori.

**2. ADOPTION OF A NEW ACCOUNTING FRAMEWORK
(continued)**

Other than a reclassification of government remittances on the balance sheet as disclosed below, there was no other impact on the March 31, 2011 financial statements and April 1, 2010 balance sheet with regards to adopting the new standards.

Government remittances

The new standards require separate disclosure of the amount of government remittances. Accordingly, amounts of \$181,641 as at March 31, 2011 and \$49,930 at April 1, 2010 have been reclassified from accounts payable and accrued liabilities to government remittances receivable and amounts of \$780 as at March 31, 2011 and \$1,017,859 as at April 1, 2010 have been reclassified from accounts payable and accrued liabilities to government remittances payable.

3. SIGNIFICANT ACCOUNTING POLICIES

The financial statements have been prepared in accordance with Canadian accounting standards for not-for-profit organizations, and reflect the following significant accounting policies:

Financial instruments

Financial assets and financial liabilities are initially recognized at fair value when CRKN becomes a party to the contractual provisions of the financial instrument. Subsequently, all financial instruments are measured at amortized cost except for the following instruments:

- a) Investments in unlisted shares, which are measured at cost less any reduction for impairment;
- b) Investments in listed shares and derivative financial instruments that are not designated in a qualifying hedging relationship, which are measured at fair value at the balance sheet date. The fair value of listed shares is based on the latest closing price and the fair value quote received from the bank counterparty is used as a proxy for the fair value of derivative financial instruments.

**2. ADOPTION DU NOUVEAU RÉFÉRENTIEL
COMPTABLE (suite)**

Il n'y a pas eu d'impact suite à l'adoption des nouvelles normes sur les états financiers au 31 mars 2011 et sur le bilan au 1^{er} avril 2010 autre que le reclassement des sommes de l'État tel qu'indiqué ci-dessous.

Sommes de l'État

Les nouvelles normes requièrent la divulgation du montant des sommes de l'État. Par conséquent, les montants de 181 641 \$ au 31 mars 2011 et de 49 930 \$ au 1^{er} avril 2010 ont été reclassés des créditeurs et frais courus aux sommes à recevoir de l'État et les montants de 780 \$ au 31 mars 2011 et de 1 017 859 \$ au 1^{er} avril 2010 ont été reclassés des créditeurs et frais courus aux sommes à remettre à l'État.

3. PRINCIPALES CONVENTIONS COMPTABLES

Les états financiers ont été dressés selon les normes comptables canadiennes pour les organismes sans but lucratif, et tiennent compte des principales méthodes comptables suivantes :

Instruments financiers

Les actifs financiers et les passifs financiers sont constatés initialement à la juste valeur au moment où RCDR devient partie aux dispositions contractuelles de l'instrument financier. Par la suite, tous les instruments financiers sont évalués au coût après amortissement, à l'exception des instruments suivants :

- a) Les placements en actions non cotées, lesquels sont évalués au coût, diminué pour tenir compte de la dépréciation, le cas échéant.
- b) Les placements en actions cotées ainsi que les instruments financiers dérivés qui ne sont pas désignés comme éléments constitutifs d'une relation de couverture admissible, lesquels sont évalués à la juste valeur à la date de clôture. La juste valeur des actions cotées est établie à partir du dernier cours de clôture et le cours de la juste valeur reçue de la contrepartie bancaire tient lieu de juste valeur pour des instruments financiers dérivés.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Financial instruments (continued)

Interest earned on short-term investments and bonds, dividends received on unlisted shares, unrealized gains and losses on listed shares, and realized gains and losses on sale of short-term investments and bonds are included in interest revenue in the statement of revenue and expenses.

Transaction costs related to financial instruments measured subsequent to initial recognition at fair value are expensed as incurred. Transaction costs related to other financial instruments are added to the carrying value of the asset or netted against the carrying value of the liability and are then recognized over the expected life of the instrument using the straight-line method. Any premium or discount related to an instrument measured at amortized cost is amortized over the expected life of the item using the straight-line method and recognized in net earnings as interest income or expense.

With respect to financial assets measured at cost or amortized cost, CRKN recognizes in net earnings an impairment loss, if any, when there are indicators of impairment and it determines that a significant adverse change has occurred during the period in the expected timing or amount of future cash flows. When the extent of impairment of a previously written-down asset decreases and the decrease can be related to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed to the statements of revenue and expenses in the period the reversal occurs.

Embedded foreign currency derivative

The CRKN will account for embedded foreign currency derivative in a host contract that is not a financial instrument as a single instrument, provided it is not leveraged, does not contain an option feature, and requires payments denominated in a currency that is commonly used in contracts to purchase items in the economic environment in which the transaction takes place.

3. PRINCIPALES CONVENTIONS COMPTABLES (suite)

Instruments financiers (suite)

Les revenus d'intérêts sur les placements à court terme et les obligations, les dividendes reçus sur les actions non cotées, les gains et pertes réalisés sur les actions cotées et les gains et pertes réalisés sur la cession de placements à court terme et obligations sont inclus dans les revenus d'intérêt à l'état des revenus et des dépenses.

Les coûts de transaction liés aux instruments financiers évalués après leur comptabilisation initiale à la juste valeur sont passés en charges au moment où ils sont engagés. Dans le cas des autres instruments financiers, les coûts de transaction sont comptabilisés en augmentation de la valeur comptable de l'actif ou en diminution de la valeur comptable du passif et sont ensuite constatés sur la durée de vie utile prévue de l'instrument selon la méthode linéaire. Tout escompte ou prime lié à un instrument évalué au coût après amortissement est amorti sur la durée de vie prévue de l'instrument selon la méthode linéaire et comptabilisé en résultat net à titre de produit ou de charge d'intérêt.

Dans le cas des actifs financiers évalués au coût ou au coût après amortissement, le RCDR comptabilise en résultat net une réduction de valeur, le cas échéant, lorsqu'il y a des indications de dépréciation et qu'elle observe un changement défavorable important dans le calendrier ou le montant prévu des flux de trésorerie futurs. Lorsque l'ampleur de la dépréciation d'un actif précédemment déprécié se réduit et que la réduction peut être rattachée à un événement postérieur à la comptabilisation de la moins-value, la moins-value déjà comptabilisée fait l'objet d'une reprise à même l'état des revenus et des dépenses de l'exercice au cours duquel la reprise a lieu.

Dérivé en monnaie étrangère incorporé

Le RCDR traitera un dérivé en monnaie étrangère incorporé dans un contrat hôte qui n'est pas un instrument financier comme un instrument unique, à la condition qu'il ne soit pas soumis à un effet de levier, qu'il ne comporte pas d'option et qu'il prévoit des paiements libellés dans une monnaie couramment utilisée dans les contrats d'achats d'éléments non financiers dans l'environnement économique où intervient la transaction.

3. SIGNIFICANT ACCOUNTING POLICIES (continued)

Revenue recognition

The CRKN follows the deferral method of accounting for revenues. Unrestricted revenues (all revenue but operation and license fees) are recognized as revenue when received or receivable if the amount to be received can be reasonably estimated and collection is reasonably assured. Operation fees and license fees that pertain to subsequent years are deferred and recognized as revenue in the period to which they relate.

Capital assets

Capital assets are recorded at cost, and are being amortized on a straight-line basis at the following terms:

Office equipment	5 years
Computer equipment	3 years
Website	3 years
Computer software	3 years
Phone equipment	5 years
Leasehold improvements	5 years

Allocation of expenses

Certain administrative expenses are allocated to the sustainability period of the DCI project in accordance with the budget approved by CRKN's Board of Directors. The allocated expenses are disclosed in Schedule B to the financial statements.

Use of estimates

The preparation of financial statements in conformity with Canadian standards for not-profit-organizations requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The estimated useful life of capital assets and the accrued liabilities are the most significant items where estimates are used. Actual results could differ from these estimates.

3. PRINCIPALES CONVENTIONS COMPTABLES (suite)

Constatation des produits

Le RCDR applique la méthode du report pour les revenus. Les produits non affectés (tous les revenus à l'exception des frais d'exploitation et de licences) sont constatés au moment où ils sont reçus ou lorsqu'ils sont recevables si le montant recevable peut raisonnablement être estimé et que le recouvrement est raisonnablement assuré. Les frais d'exploitation et les frais de licence relatifs aux exercices ultérieurs sont reportés et comptabilisés comme revenus dans la période à laquelle ils se rapportent.

Immobilisations corporelles

Les immobilisations corporelles sont comptabilisées au coût et amorties selon la méthode de l'amortissement linéaire en fonction des durées suivantes :

Matériel de bureau	5 ans
Matériel informatique	3 ans
Site Web	3 ans
Logiciels informatiques	3 ans
Équipement téléphonique	5 ans
Améliorations locatives	5 ans

Ventilation des dépenses

La ventilation de certaines dépenses administratives à la période de soutenabilité du projet de l'ICN est effectuée conformément au budget approuvé par le Conseil d'administration du RCDR. Les dépenses ventilées sont présentées à l'annexe B des états financiers.

Utilisation d'estimations

Dans le cadre de la préparation des états financiers, conformément aux Normes comptables canadiennes pour les organismes sans but lucratif, la direction doit établir des estimations et des hypothèses qui ont une incidence sur les montants des actifs et des passifs présentés et sur la présentation des actifs et des passifs éventuels à la date des états financiers, ainsi que sur les montants des produits d'exploitation et des charges constatés au cours de la période visée par les états financiers. La durée de vie utile estimative des immobilisations corporelles et les frais courus sont les éléments les plus importants pour lesquels des estimations ont été utilisées. Les résultats réels pourraient varier par rapport à ces estimations.

4. CAPITAL MANAGEMENT

The CRKN's objectives in managing capital (net assets) are:

- a) to ensure that sufficient financial resources are in place to deliver on the priorities set by the Board of Directors;
- b) to maintain a minimum reserve for an operational contingency;
- c) to invest funds in financial instruments which present a conservative or low risk, in accordance with its investment policy statement; and
- d) to determine, on a regular basis, the appropriate level of dues to be charged to members.

The CRKN manages its capital to ensure that there are adequate capital resources to provide services to members. The CRKN does not have any short-term or long-term debt.

The CRKN monitors its capital by reviewing various financial metrics, including cash flow and variances to forecasts and budgets.

The CRKN follows a budget monitoring and modification policy to routinely and systematically evaluate financial results to budget and, as required, inform the Finance & Audit Committee and Board of deviations.

CRKN also employs an unrestricted net asset policy to govern management of net assets and to ensure responsible stewardship of organizational equity on behalf of members. In particular, the policy specifies a minimum and maximum limit to unrestricted net assets.

Capital management objectives, policies and procedures are unchanged since the preceding year. The CRKN has complied with all the capital requirements.

4. GESTION DU CAPITAL

Les objectifs du RCDR en ce qui a trait à la gestion de son capital (actif net) sont les suivants :

- a) de s'assurer d'avoir les ressources financières suffisantes pour respecter les priorités déterminées par le Conseil d'administration;
- b) de maintenir une réserve pour une éventualité opérationnelle;
- c) d'investir ses fonds dans des instruments financiers à risque faible ou conservateur, en accord avec sa politique de placement;
- d) de déterminer, sur une base régulière, les cotisations appropriées à imposer aux membres.

Le RCDR gère son capital de façon à s'assurer que les ressources financières sont adéquates afin d'offrir les services aux membres. Le RCDR n'a pas de dette à court terme ni de dette à long terme.

Le RCDR contrôle son capital en révisant différentes mesures financières, incluant les flux de trésorerie et les écarts par rapport aux prévisions et aux budgets.

Le RCDR a adopté un politique de gestion et de modification du budget afin de systématiquement évaluer les résultats financiers contre le budget et, si nécessaire, avertir le Conseil des déviations.

Le RCDR utilise également une politique quant à la gestion de son actif net non affecté qui gouverne la gestion de son actif net afin d'assurer aux membres une gestion responsable des capitaux organisationnels détenus en leur nom. En particulier, la politique précise une limite minimale et maximale quant à l'actif net non affecté.

Les objectifs, politiques et procédures ayant trait à la gestion du capital sont demeurés inchangés par rapport à l'exercice précédent. Le RCDR a respecté toutes les exigences concernant son capital.

5. CAPITAL ASSETS

	March 31, 2012 31 mars 2012		
	Cost	Accumulated Amortization	Net Book Value
	Coût	Amortissement cumulé	Valeur nette
Office equipment	\$ 77,565	\$ 67,408	\$ 10,157
Computer equipment	59,335	56,020	3,315
Website	88,579	36,422	52,157
Computer software/systems	63,850	10,645	53,205
Phone equipment	7,073	6,466	607
Leasehold improvements	220,433	218,091	2,342
	\$ 516,835	\$ 395,052	\$ 121,783

During the year ended March 31, 2012, CRKN wrote down the net book value of leasehold improvements to reflect the early termination of its existing office space lease of April 14, 2012.

5. IMMOBILISATIONS CORPORELLES

	March 31, 2011 31 mars 2011	April 1, 2010 1 ^{er} avril 2010
	Net Book Value	Net Book Value
	Valeur nette	Valeur nette
Matériel de bureau	\$ 29,150	\$ 45,848
Matériel informatique	5,881	5,619
Site Web	54,168	267
Logiciels informatiques	-	389
Équipement téléphonique	1,822	3,037
Améliorations locatives	140,509	162,318
	\$ 231,530	\$ 217,478

Au cours de l'exercice clos le 31 mars 2012, le RCDR a radié une partie de la valeur nette des améliorations locatives afin de refléter la fin anticipée du bail pour ses locaux le 14 avril 2012.

6. DEFERRED REVENUE FOR LICENSE FEES

Deferred revenue relate to amounts received or receivable from members for license fees for future fiscal years.

6. REVENUS REPORTÉS RELATIFS AUX FRAIS DE LICENCES

Les revenus reportés se rapportent aux montants reçus ou à recevoir en provenance des membres pour les frais de licences et d'exploitation des exercices subséquents.

	March 31, 31 mars 2012	March 31, 31 mars 2011	April 1, 1 ^{er} avril 2010	
Balance, beginning of year	\$ 61,175,032	\$ 60,649,103	\$ 59,753,190	Solde au début
Contributions received during the year	85,417,046	79,666,398	87,380,406	Apports reçus au cours de l'exercice
Contributions recognized as revenue	(82,187,544)	(79,140,469)	(86,484,493)	Apports constatés comme revenus
Balance, end of year	\$ 64,404,534	\$ 61,175,032	\$ 60,649,103	Solde à la fin

7. DEFERRED REVENUE - DCI PROJECT (INITIAL PERIOD)

Deferred revenue relates to contributions for the DCI Project received or receivable from the Canada Foundation for Innovation (CFI), provincial governments and participating institutions for DCI Project fees that pertain to future fiscal years.

	March 31, 31 mars 2012	March 31, 31 mars 2011	April 1, 1 ^{er} avril 2010	
Balance, beginning of year	\$ 1,135,185	\$ 12,791,812	\$ 10,497,901	Solde au début
Contributions received during the year	315,414	5,136,190	18,150,657	Apports reçus au cours de l'exercice
Contributions recognized as revenue	<u>(1,223,684)</u>	<u>(16,792,817)</u>	<u>(15,856,746)</u>	Apports constatés comme revenus
Balance, end of year	<u>\$ 226,915</u>	<u>\$ 1,135,185</u>	<u>\$ 12,791,812</u>	Solde à la fin

7. REVENUS REPORTÉS - PROJET DE L'ICN (PÉRIODE INITIALE)

Les revenus reportés se rapportent aux apports reçus ou à recevoir de la Fondation canadienne pour l'innovation (FCI), des gouvernements provinciaux et des institutions participantes au projet de l'ICN pour les frais du projet des exercices subséquents.

8. DEFERRED REVENUE - DCI SUSTAINABILITY PERIOD

Deferred revenue relates to contributions required for the sustainability period of the DCI Project received or receivable from participating institutions for future fiscal years. In addition, DCI participants were invoiced \$143,160 during the year to offset administrative costs approved by the board and attributed to the sustainability period.

	March 31, 31 mars 2012	March 31, 31 mars 2011	April 1, 1 ^{er} avril 2010	
Balance, beginning of year	\$ 1,850,995	\$ -	\$ -	Solde au début
Contributions received during the year	5,138,212	2,561,777	-	Apports reçus au cours de l'exercice
Contributions recognized as revenue	<u>(4,506,760)</u>	<u>(710,782)</u>	-	Apports constatés comme revenus
Balance, end of year	<u>\$ 2,482,447</u>	<u>\$ 1,850,995</u>	<u>\$ -</u>	Solde à la fin

8. REVENUS REPORTÉS - PÉRIODE DE SOUTENABILITÉ DU PROJET DE L'ICN

Les revenus reportés se rapportent aux apports requis pour la période de soutenabilité du projet de l'ICN reçus ou à recevoir des institutions participantes pour les exercices subséquents. De plus les participants de l'ICN ont été facturés un montant total de 143 160 \$ au cours de l'exercice pour compenser les frais d'administration approuvés par le Conseil et affectés à la période de soutenabilité.

9. FINANCIAL INSTRUMENTS

Credit risk

The risk relates to the potential that one party to a financial instrument will fail to discharge an obligation and cause the other party to incur a financial loss.

Foreign currency risk

Foreign currency exposure arises from CRKN's purchases of licenses in U.S. dollars and British pounds. CRKN uses forward contracts to mitigate its risks.

Fair value

Fair values of assets and liabilities approximate amounts at which these instruments could be exchanged in a transaction between knowledgeable and willing parties.

Derivative financial instruments

The CRKN uses foreign exchange forward contracts to manage the currency risk inherent in future expenditures for licenses. During the year, the CRKN concluded foreign exchange forward contracts to hedge the U.S. dollar and British pound foreign exchange exposure related to the licenses to be purchased. These derivative instruments were not entered into for speculative purposes but rather for administrative convenience and operational efficiency in managing the effects of changes in foreign exchange rates on CRKN activities. Under these foreign exchange forward contracts, the CRKN has the obligation to buy U.S. dollars and British pounds at a specified rate. Risks may arise upon entering these contracts from the potential inability of counterparties to meet the terms of their contracts and from unanticipated movements in the value of a foreign currency relative to the Canadian dollar.

9. INSTRUMENTS FINANCIERS

Risque de crédit

C'est le risque qu'une des parties à un instrument financier manque à ses obligations et fasse subir une perte financière à l'autre partie.

Risque de change

Le risque de change découle de l'achat de licences en dollars américaines et en livres sterling. RCDR utilise des contrats de change à terme afin d'atténuer son risque.

Juste valeur

La juste valeur des éléments d'actif et de passif correspond approximativement au montant auquel ces instruments pourraient être échangés dans une opération conclue par des parties renseignées et agissant de leur plein gré.

Instruments financiers dérivés

Le RCDR utilise des contrats de change à terme afin de gérer le risque de devises inhérent aux achats futurs de licences. Durant l'exercice, le RCDR s'est engagé en vertu de contrats de change à terme afin de couvrir son exposition au dollar américain et à la livre sterling relativement à des licences à acquérir. Ces instruments dérivés n'ont pas été utilisés à des fins spéculatives mais plutôt dans le but d'atténuer les effets potentiels des variations dans les taux de change sur les activités du RCDR. Sous ces contrats de change à terme, le RCDR a l'obligation d'acquérir des dollars américains et des livres sterling à des taux spécifiés. Les risques peuvent survenir lors de l'utilisation de ces contrats dus à l'impossibilité éventuelle des parties contractantes de satisfaire aux modalités des contrats et aux mouvements imprévus de la valeur d'une devise étrangère par rapport au dollar canadien.

9. FINANCIAL INSTRUMENTS (continued)

Derivative financial instruments (continued)

As at March 31, 2012, the CRKN held the following forward contracts with the Bank of Montreal and Custom House:

Maturity (contracts maturing...)	Forward Exchange Rate (ranging from...)
Maturité (contrats venant à échéance...)	Taux de change à terme (variant de ...)
April 30/30 avril 2012 - May 31/31 mai 2012	0.9936 – 1.0063 CDN\$/USD

The net unrealized gain of \$5,079 is fully offset by amounts receivable from member universities. Upon maturity of the forward contract, any realized gain or loss is offset against the hedged currency gain or loss. Therefore, there is no impact on net assets or excess of revenue over expenses.

10. PENSION ASSISTANCE PROGRAM

The CRKN employees contribute to the defined contribution plan of the Association of Universities and Colleges of Canada Pension Plan. The employer's contributions for the year were \$44,000 (2011 - \$48,302; 2010 - \$50,797).

11. INTERNALLY RESTRICTED NET ASSETS

For the year ending March 31, 2012, the Board of Directors approved a transfer of \$137,830 (2011 - \$545,076) from internally restricted to unrestricted net assets, to reflect the fact that the CFI holdback had been reduced.

9. INSTRUMENTS FINANCIERS (suite)

Instruments financiers dérivés (suite)

Au 31 mars 2012, le RCDR détenait les contrats de change à terme suivants avec la Banque de Montréal et Custom House :

Notional Principal Amount	Net unrealized gain in CDN\$
Valeur nominale principale	Gain non réalisé en \$CAN
1,499,691 USD	\$ 5,079

Net unrealized gain as at
March 31, 2012

Gain non réalisé
au 31 mars 2012 **\$ 5,079**

La gain non réalisé de 5 079 \$ est totalement compensée par les montants recevables des universités membres. À la date de maturité des contrats de change à terme, tout gain ou perte réalisé est compensé contre le montant de gain ou perte de change couvert. Il n'y a donc aucun impact sur l'actif net et sur l'excédent des revenus sur les dépenses.

10. PROGRAMME D'AIDE AUX RETRAITÉS

Les employé(e)s de RCDR participent au Régime de retraite à cotisations déterminées de l'Association des universités et collèges du Canada. Les cotisations de l'employeur pour l'exercice étaient de 44 000 \$ (48 302 \$ en 2011; 50 797 \$ en 2010).

11. ACTIF NET AFFECTÉ D'ORIGINE INTERNE

Pour l'exercice clos le 31 mars 2012, le Conseil d'administration a approuvé un transfert de 137 830 \$ (545 076 \$ en 2011) du montant affecté d'origine interne à l'actif net non affecté pour couvrir les réductions de retenues sur le contrat FCI.

12. COMMITMENTS

The CRKN has commitments for the rental of space through to March 31, 2017 and for the rental of office equipment through to September 30, 2017. Minimum lease payments for the rental period are \$615,412 and \$134,273, respectively.

The CRKN also has commitments for the purchase of licenses:

2013	3,271,631 CDN\$
2013	37,569,879 USD
2014	2,431,624 CDN\$
2014	36,150,165 USD

The CRKN has the following commitments for the purchase of foreign currency through the use of forward contracts at March 31, 2012:

2012	1,499,691 USD
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13. RELOCATION COSTS

During the year, the CRKN negotiated a full surrender of its leased premises. While the relocation occurred subsequent to year end, the related significant effects were realized or provided for in the 2012 financial statements. The total impact on the statement of operations was \$353,042 which is made up primarily of a \$196,866 penalty for breaking the old lease and a change in the estimate of amortization for leasehold improvements of \$119,166.

The decision to relocate effectively reduces CRKN's commitment for the rental of space from \$1,244,639 to \$615,412 as at March 31, 2012.

12. ENGAGEMENTS

Le RCDR s'est engagé à louer des locaux jusqu'au 31 mars 2017 et à louer du matériel de bureau jusqu'au 30 septembre 2017. Les versements minimums exigibles pour la durée des baux s'élèvent à 615 412 \$ et à 134 273 \$, respectivement.

Le RCDR s'est aussi engagé à acquérir des licences :

Le RCDR s'est engagé à acquérir les devises étrangères suivantes en utilisant des contrats de change à terme au 31 mars 2012 :

2012	1,499,691 USD
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13. COÛTS DE RÉINSTALLATION

Au cours de l'exercice, le RCDR a négocié la résignation totale du bail pour ses locaux. Bien que la réinstallation ait eu lieu après la date du bilan, les conséquences importantes s'y rapportant ont été réalisées ou prévues dans les états financiers de l'exercice 2012. L'impact total sur l'état des résultats s'élève à 353 042 \$ et consiste principalement d'une pénalité de 196 866 \$ pour rupture de bail et une modification apportée à l'estimation de l'amortissement des améliorations locatives d'un montant de 119 166 \$.

Au 31 mars 2012, la décision du RCDR de se réinstaller a effectivement réduit son engagement de location d'espace de 1 244 639 \$ à 615 412 \$.

**CANADIAN RESEARCH
KNOWLEDGE NETWORK**
Schedule A - DCI Project (Initial Period)
Revenue and Expenses
years ended March 31, 2012 and 2011

**RÉSEAU CANADIEN DE DOCUMENTATION
POUR LA RECHERCHE**
Annexe A - Revenus et dépenses du
projet de l'ICN (période initiale)
des exercices clos les 31 mars 2012 et 2011

DCI Project (Initial Period)

Projet de l'ICN (période initiale)

	<u>2012</u>	<u>2011</u>	
License and Administration Revenue	\$ 1,223,684	\$ 16,792,817	Revenus de licences et d'administration
Expenses			Dépenses
Licenses	1,223,684	16,792,817	Licences
	\$ 1,223,684	\$ 16,792,817	

Schedule B - DCI Sustainability
Revenue and Expenses
years ended March 31, 2012 and 2011

**Annexe B - Revenus et dépenses de la période
de soutenabilité du projet de l'ICN**
des exercices clos les 31 mars 2012 et 2011

DCI Sustainability

Soutenabilité du projet de l'ICN

	<u>2012</u>	<u>2011</u>	
Revenue			Revenus
License fees	\$ 4,363,600	\$ 559,782	Frais de licences
Administration fees	143,160	151,000	Frais d'administration
	\$ 4,506,760	\$ 710,782	
Expenses			Dépenses
Licenses	\$ 4,363,600	\$ 559,782	Licences
Salary and benefits	60,000	60,000	Salaires et avantages sociaux
Legal fees	9,996	5,000	Honoraires de services juridiques
Translation	20,004	10,000	Traduction
Contractor	49,164	63,000	Entrepreneur
Computer HW/SW	-	5,000	Matériel informatique et logiciels
Conference calls	2,496	5,000	Appels conférence
Travel	1,500	3,000	Déplacements
	\$ 4,506,760	\$710,782	

Case Study



CRKN's provision of a pan-Canadian digital research corpus has fostered a generation of Digital Humanities engagement. The partnership with CRKN has been positively transformative for my research.

Raymond G. Siemens

Canada Research Chair in Humanities Computing
Distinguished Professor
Faculty of Humanities, University of Victoria

Dr. Raymond Siemens is Canada Research Chair in Humanities Computing and Distinguished Professor in the Faculty of Humanities at the University of Victoria, in English and Computer Science. He serves as Chair of the Steering Committee for the Alliance of Digital Humanities Organisations and Vice President, Research Dissemination, of the Canadian Federation of Humanities and Social Sciences.

Dr. Siemens has worked with CRKN resources for several years on a number of projects and describes the benefits achieved through CRKN as “positively transformative” for his research. For his most recent project, **INKE**, Dr. Siemens and his collaborators are using technologies to learn more about how scholars read and process information. INKE has been described as an initiative that “seeks to understand **the future of reading through readings past** and to explore the future of the book from the perspective of its history.” CRKN has facilitated and structured full access to its licensed materials so that INKE researchers could assemble a large digital corpus of publications. Using devices such as tablets, e-readers and desktop computers, this research aims to better understand how researchers

access and use electronic resources and design better tools and interfaces for discovery and analysis of humanities texts.

The INKE project is built on previous work by Dr. Siemens and others that developed a prototype research knowledgebase consisting of a large dynamic corpus of both primary (15,000 text, image, and audio objects) and secondary materials (some 100,000 articles, e-books, etc.) related to the Renaissance period. The aim was to create a reading environment that better suited the needs of professional readers. They had particular success in amalgamating previously unconnected (but research-pertinent) database contents so that a researcher could speed workflow by not having to enter search terms across several unconnected databases and interfaces.

The INKE project is funded by a \$2.5 million, 7-year Major Collaborative Research Initiative (MCRI) grant from the Social Sciences and Humanities Research Council (SSHRC), plus an additional \$10.4 million in contributions from institutional and research partners. The project is highly interdisciplinary and has an international research team that consists of 35 researchers

across 20 institutions and 21 partner agencies, with work involving some 19 postdoctoral research fellows and 53 graduate research assistants. It brings together researchers and stakeholders at the forefront of computing in the humanities, text analysis, information studies, usability and interface design into a network comprised of those who are best-positioned to understand the nature of the human record as it intersects with the computer.

Ultimately, Dr. Siemens' research will contribute to a greater comprehension of the relationship between the researcher and electronic scholarly works and help us to understand how scholarly reading will be transformed over the next 5, 10, and 15 years. The digital content made possible by CRKN is key to the success of this work.

