

# The Value of Knowledge

ANNUAL REPORT AND ACCOUNTS 2009/2010





**British Library**

Thirty-seventh Annual Report and Accounts 2009/10.  
Presented to Parliament pursuant to section 4(3) of  
the British Library Act 1972.

Ordered by the House of Commons to be printed on 12 July 2010.

SG/2010/122

HC153

London: The Stationery Office

£19.75

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ISBN: 9780102966640

Printed in the UK for The Stationery Office Limited  
on behalf of the Controller of Her Majesty's Stationery Office

ID: 2370548 07/10

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## CONTENTS

<b>Introduction</b>	3
<b>Chairman's statement</b>	5
<b>Chief Executive's statement</b>	7
<b>Our success stories</b>	
– Business and Innovation	8
– Research	9
– Industry and Commerce	10
– Culture	11
– Creative Industries	12
– Learning	13
– Higher Education	14
<b>Overview of the year's main achievements</b>	15
<b>Strategic priorities</b>	
– Progress against 2009/10 commitments and report on key funding projects	22
– Action plan for 2010/11	27
<b>Performance</b>	
– Key Performance Indicators	28
– Statistics	30
<b>Governance and leadership</b>	
– Structure	32
– Executive team	34
– Corporate Governance: the British Library Board	36
<b>Grants and donations</b>	38
<b>Annual Accounts 2009/10</b>	43



## Welcome to the British Library's Annual Report and Accounts 2009/10

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The British Library is one of the world's greatest research libraries.

Our collections and expertise are used daily by authors, scientists, TV and film producers, business people, academics, genealogists and local historians, making a vital contribution to the UK knowledge economy.

This year's Annual Report shows how, together, our Readers, users, collections and services contribute to the Value of Knowledge.

[www.bl.uk/valueofknowledge](http://www.bl.uk/valueofknowledge)

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CHAIRMAN



**The British Library is one of the world's greatest research libraries and an enormous asset to this nation.**

**A**s I come to the end of my appointment as Chairman of the British Library Board, I am minded to reflect on some of the major achievements of this great institution during my tenure.

In October 2007 we celebrated the opening of the British Library Centre for Conservation, a world-leading facility for book conservation and a state-of-the-art technical facility for the preservation of our recorded sound collection.

We have taken significant steps to improve the British Library's collection storage facilities. The construction of a major £26 million storage building at Boston Spa is now complete, and it was opened by the Minister for Yorkshire and The Humber in December 2009. The new facility will provide 262 linear kilometres of high density, preservation standard storage, with fully-automated retrieval systems, and growth space for the next decade.

Last October, we received a very welcome commitment of £33 million of capital funding from the Government to move the national newspaper collection – currently held in Colindale, north London – to a new Newspaper Storage Building, also to be constructed on the Boston Spa site, which will hold the collection in the best of archival conditions. Newspapers are an immensely rich source for research. They deteriorate quickly because of the poor quality of the paper they are printed on; it is crucial that they are properly preserved for future generations. This is one element of our newspaper strategy – our ambition is to digitise the best of our historical collections, to open them up, and to make them much more widely accessible on the web. The Library's partnership agreement with brightsolid online publishing to digitise up to 40 million pages from the national newspaper collection over ten years is a major step towards realising that ambition.

Meantime the digital assets in the Library's collections occupy over 52 terabytes of digital storage. And the Board welcomes the progress achieved this year towards obtaining legal deposit for electronic publications.

During my tenure we have seen some highly successful and distinctive British Library exhibitions. As I write, our exhibition, *Magnificent Maps: Power, Propaganda and Art*, is attracting high visitor numbers, but if I had to single out a particular exhibition, it would be *Sacred: Discover what we share*, which in 2007 displayed some of the world's earliest and most important religious texts from the Jewish, Christian and Muslim faiths.

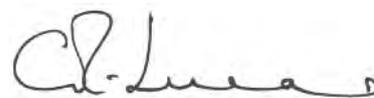
At the heart of this great Library is its enduring commitment to scholarship and its collections. The fruits of this commitment to scholarship are seen when, for example, senior curator Frances Harris was awarded the Samuel Pepys prize for her book, *Transformations of Love*, or when Kristian Jensen delivered the 2007/08 Lyell Lectures in bibliography at Oxford University. The Review of the Scholarship and Collections directorate is designed to strengthen its capacity and to ensure the Library will be a leading centre of digital scholarship and preservation, internationally recognised for innovation and collaboration in support of research and learning. We have been fortunate to acquire a number of very significant acquisitions. Notable amongst these were the papers of Harold Pinter, Ted Hughes and Mervyn Peake; the photographic archives of William Fox Talbot and Fay Godwin; and the *Dering Roll*, the oldest extant English roll of arms.

Looking forward from these 'broad, sunlit uplands', we have been undertaking a programme of strategy development – taking account of the dynamic market in which we now operate, with technology and consumer behaviours changing more rapidly than ever before – to articulate the Library's operating environment in 2020 and to develop

a 2020 vision for the British Library. At the same time, it is clear that we face a deeply uncertain and highly constrained public funding environment. While we have already achieved major efficiency savings and have adopted innovative business models and partnerships to support our core activities, I think it inevitable that the Board will face extremely difficult decisions going forward as it addresses the twin challenge of sustaining the Library's stewardship legacy and its reputation as a world-leading research library while also ensuring that the Library's contribution to research and scholarly enterprise remains vibrant, innovative and relevant for future generations.

In this context, it is immensely gratifying to see the breadth and warmth of support for the Library. The British Library is a wonderful library. It is one of the world's greatest research libraries and an enormous asset to this nation. I count it a great privilege to have been associated with the Library for the past six and a half years both as Board member and as Chairman.

Finally I would like to thank all our donors, Patrons and Friends for their support. In particular, the Dorset Foundation for its generous grant, enabling us to complete our fundraising for a new and much-needed Learning Centre. I would also like to express gratitude to the National Heritage Memorial Fund, as well as the many individuals and trusts, who supported our appeals for Sir John Narbrough's Journal and the Mervyn Peake Archive. In addition, as we continue our focus on building the digital research environment, I would like to acknowledge the Stavros S Niarchos Foundation and William and Judith Bollinger for their ongoing support and generosity towards making our manuscript collections available online.



Sir Colin Lucas

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CHIEF EXECUTIVE



Chairman

**We do not underestimate the challenges ahead to continue to deliver high quality services despite budget cuts, but we remain committed to innovation in the way we approach these challenges as we seek to ensure that the British Library remains world-class for the long-term.**

**T**he introduction to the British Library's Annual Report each year gives me time to reflect on what a privilege it is to lead this great institution. Our broad and diverse range of activities combined with the fulsome commitment of all my colleagues ensures the continuing success of the Library and its recognition across the world as one of the truly great libraries, as appreciated and relevant today as it was at its origins in 1753.

This Report documents many areas of valued service, success, recognition and importance to our users – researchers, business and entrepreneurs, education and the general public. But this year I want to highlight our international profile, our partnership activities and our progress in digital activities.

Our mission is 'advancing the world's knowledge' and many of our activities on the global stage involve international partnerships. For some years we have supported the Iraq National Library and Archives, and this year saw funding to digitise some 50,000 records from our India Office collections relating to Iraq as a contribution to the virtual reconstruction of their historic collections. In conjunction with the Aga Khan Trust, an exhibition of digital copies of historic photographs of Afghanistan from the Library recently went on display in Kabul, attracting much public and local interest.

The British Library and the National Library of China have worked co-operatively over a number of years, and I was honoured to be invited to speak at their centenary celebrations in autumn 2009 about the international work that the Library undertakes. As China invests heavily in digital library activities we are increasingly seeing new opportunities for partnership. We are also building a number of relationships with key library and archive institutions in India, working with UK Research Councils and a number of Foundations to enrich resources and access to them, and to support new research directions.

This year saw the culmination of a four-year collaboration between the British Library, the National Library of Russia in St Petersburg, the University of Leipzig, and St Catherine's Monastery in completing the virtual re-unification of the Codex Sinaiticus – the earliest surviving Christian Bible. It was made accessible to a global internet audience to huge acclaim, evidenced by some 100 million hits in the first two days of its appearance.

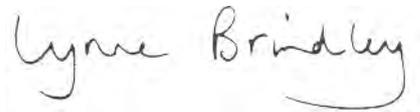
A very different kind of partnership has brought prominence and success again this year: the Library's Business & IP Centre, the value of which has been realised many times over during the economic down-turn. Since its launch in 2006 as a partnership with the London Development Agency, over 150,000 entrepreneurs and SMEs have used its services, some 3,000 workshops have been delivered and we have many, many testimonies to the contribution that we have made to business start-ups and to the economy. We are working with strategic and service delivery partners and over a hundred marketing associate networks to ensure a very wide reach.

No one can fail to notice that the development of digital activity in every area of our lives is driving ever faster innovation. Our users increasingly expect digital services and digital engagement with content of all kinds. We recently launched the UK Web Archive – a growing collection of thousands of websites, collected by permission of their owners. We have supported the Government this year in its work towards producing regulations which would enable us to collect and preserve for ever the UK's digital heritage. We all hope for the completion of consultation and the enactment of regulations during 2010/11.

As we end the year we move into a much tougher financial climate for public sector institutions. We have over many years been vigilant about efficiency savings, about continuous improvement in our processes, and ensuring value for money all round.

We do not underestimate the challenges ahead to continue to deliver high quality services despite budget cuts, but we remain committed to innovation in the way we approach these challenges as we seek to ensure that the British Library remains world-class for the long-term.

Finally I want to thank our outgoing Chairman, Sir Colin Lucas, for all his support during his tenure, first as a member and then as Chair of the Board. He has cared deeply about the Library and has cherished both its great traditions and our innovations.



**Dame Lynne Brindley**  
Chief Executive

## Our success stories

## Our Business & IP Centre delivers £11 million of value to the UK small business sector\*.

### Turning ideas into winners

The Business & IP Centre is a hub for aspiring entrepreneurs, inventors and small businesses. It helps to turn ideas into successful products and services, offering free access to business and intellectual property databases and publications, and comprehensive advice including a programme of workshops and seminars.

*The Centre's team of friendly staff and experts are outstanding and offer excellent professional advice free of charge.*

**Anthony Lau**  
Founder of Cyclehoop Ltd

When Anthony Lau founded his firm, *Cyclehoop Ltd*, he attended lectures and workshop sessions on marketing and finance at the Centre, as well as using its intellectual property services. He received individual help from an intellectual property lawyer, an experienced businessman and the Centre's inventor-in-residence, Mark Sheahan. The 'Ask an Expert' programme provided advice, contacts and ideas to drive the business forward.

'The Centre's team of friendly staff and experts are outstanding and offer excellent professional advice free of charge,' he says. 'With Mark's help I was able to identify and prioritise the most important business objectives

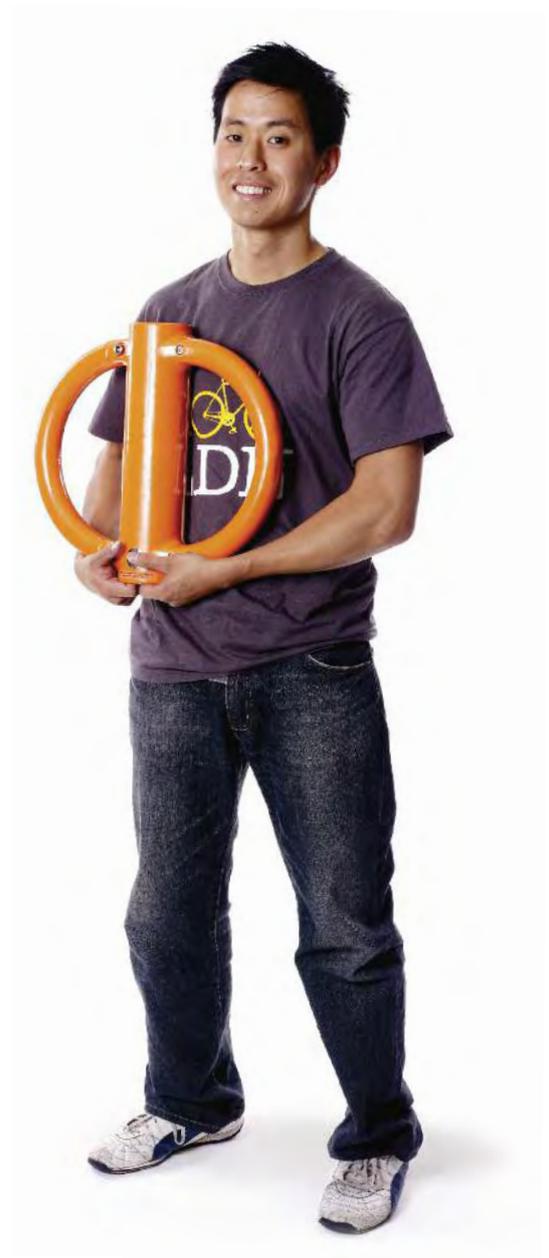
for my company. Without hesitation, I would highly recommend the Centre to anyone thinking of starting a business.'

Anthony Lau highlights the continuing value of advice to deal with the impact of the economic recession for his company, which designs and manufactures innovative cycle parking for local authorities. 'We need to make sure we market our products well, and know how to establish the right routes and contacts. Some of the advice they give you in terms of optimising websites and marketing will be very useful, so we will be going to more of those sessions.'

Cyclehoop's award-winning design turns existing street posts into cycle stands. Since using the Centre, the company has grown from working with three councils to around 20. One of the first customers was Camden. 'I believe the Cyclehoop is a winner on every level,' says Councillor Chris Knight, Camden Council's Executive Member for Environment. 'It saves the Council valuable time and money, reduces street clutter and provides cycle parking where it is most needed.'

\* Net present value of £11.3 million according to an independent report conducted for the London Development Agency and the British Library, published in February 2010.

**Below,** Anthony Lau with Cyclehoop by Elizabeth Hunter.



## More than 115,000 academic, commercial and public sector researchers are registered to use the British Library's scientific information resources. We supply all of the top 20,000 journals to the science, technology and medicine sector.

### Making sense of science

The availability of research-level materials is essential to Peter Cartwright, a researcher and author who specialises in probiotics. His publications about the role of these 'friendly' bacteria in chronic diseases, such as Crohn's disease, ulcerative colitis and diverticulitis, provide easy-to-understand information for patients and their families.

Researching his latest book, *Probiotic Allies*, he realised there was a limit to the resources he could find elsewhere. At the British Library he was able to draw upon the full extent of the science collections to explore a wide range of biomedical journals, books and supporting texts.

Regarding his role as 'an intermediate or interpreter between doctors and patients', Peter Cartwright aims to communicate evidence-based scientific information and health advice in plain English. His books provide an overview of relevant information with careful referencing to help readers distinguish fact from fiction.

At the Library, he discovered that recent articles in biomedical journals showed the level of interest in the therapeutic potential of probiotics to be a hot topic. Studies demonstrated there was mounting evidence of the benefits of manipulating gut microorganisms to influence diabetes, obesity and chronic gastrointestinal diseases.

Describing the Library as 'a great place to work', he says he found the Reading Room staff were extremely helpful. 'One of the great things about the Library is that everyone I have dealt with was calm, clear and went out of their way to help me find the information when I wasn't sure where to look.'



*As an independent researcher, the British Library is essential in providing access to an extraordinary breadth and depth of good quality information.*

**Peter Cartwright**  
Researcher and author



Above right, Peter Cartwright by Elizabeth Hunter  
Below, Bacteria © iStock.

## More than 80 per cent of the highest-spending UK research and development companies use the British Library's services.

### Supporting innovation

With companies striving to cut costs and improve efficiency, the British Library meets users' needs ranging from providing a single document to a complete management service. Using secure e-delivery and 'just-in-time' digitisation, documents can be delivered to people's desktops within two hours of a request being received.

*We see the British Library as a valued partner in our supporting the external medical community and helping to improve patient care.*

#### Aaron Cockell

Pfizer Regional Director,  
Medical Information, Europe

In the pharmaceutical industry alone, the British Library supplies documents to all of the top 50 companies, generating £1.3 million in income. Pfizer, the world's largest research-based pharmaceutical company, makes use of the service to meet requests from physicians and pharmacists across Europe for published literature. The company operates in 180 countries worldwide and employs more than 4,000 staff in the UK, where it spends £550 million on medicine research and development.

'If we cannot fulfil the request in-house we are confident that, using British Library services, we shall be able to do so within one to two working days, 95 per cent of the time,' says Jill Maddox of Pfizer's European Medical Information Leadership Team.

'We had an urgent situation recently where a physician was requesting information to assist him in remedying a serious complication in a patient. He needed the information within two hours. Using the Library's *Urgent Action Service*, we managed to get the necessary information to the physician in under an hour. In cases such as this, the Library's rapid response could be life-saving.'

Among the household names that value the British Library's support for innovation is Unilever, whose portfolio of 400 brands spans home, personal care and food products. 'The British Library is a trusted partner to Unilever Research and Development in broadening our access to vital technical information,' says Phil Mackie of Unilever.



*The British Library plays a significant role in enabling Unilever Research and Development to efficiently deliver the science that drives innovation.*

#### Cameron Jones

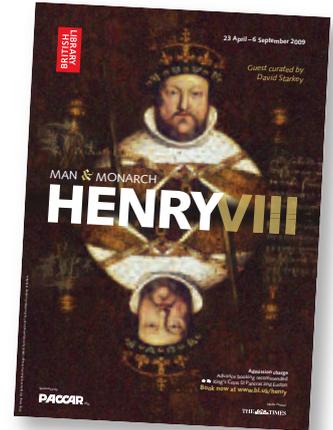
Unilever Vice-President, R&D  
Information and Technology  
Management

**Opposite page**, Image of Henry VIII exhibition by Richard Eaton.

**Far right**, The Henry VIII Parliamentary Procession Roll (detail), 1512.



More than 575,000 people visited our exhibitions and events, with 96 per cent rating them 'excellent' or 'good'.



### Engaging visitors

The British Library reached out to a wide cross-section of the community through its Public Programme, which includes permanent displays such as the Sir John Ritblat Gallery: Treasures of the British Library; temporary exhibitions and a programme of more than 130 public events.

One of the year's exhibition highlights, *Henry VIII: Man and Monarch* was particularly successful in attracting people who had never been to the Library before. Fifty-eight per cent of those who came were first-time visitors – almost 40,000 people out of a total of nearly 68,000. This was the highest proportion recorded by a temporary exhibition in recent years.

*Exhibitions like this do not come along very often, but they bring history alive and reach out to us across the centuries.*

Visitor to *Henry VIII* exhibition



Guest-curated by historian and broadcaster Dr David Starkey, the exhibition marked the 500th anniversary of Henry VIII's accession to the throne. It was the first paid-entry exhibition at the British Library for seven years. Among the 250 exhibits were important, rarely displayed, items including correspondence, key official documents, maps and books from the King's own library.

Visitors were highly engaged, spending an average of 1 hour 50 minutes viewing the exhibits, significantly higher than for other temporary exhibitions at the Library. Nearly four out of ten people stayed more than two hours. Sixty-eight per cent gave an 'excellent' rating. 'Exhibitions like this do not come along very often, but they bring history alive and reach out to us across the centuries,' is how one visitor summed up the experience.

*A show to nurture the enthusiasms of a new generation of historians.*

### The Times

Accompanying events broadened the exhibition's appeal with a series of performances, talks, family events and screenings. The programme was launched with a May Day celebration of free performances, re-enactments, Tudor sports, entertainments, workshops and stalls.

A touring programme travelled to eight locations around the UK, further extending the reach and profile of the audience. Events engaged and involved communities. Activities included workshops and talks for school groups and families and an interactive Turning the Pages™ kiosk to see books from King Henry's library.



## The British Library's sources and expertise are a major asset for the creative industries, including film, television and publishing, which contribute £60 billion to the UK economy.

### Inspiring great programmes

Many television programmes are researched and filmed at the British Library every year, connecting us with audiences in the UK and around the world. Among the highlights in 2009/10 was the BBC documentary series *Empire of the Seas: How the Navy Forged the Modern World*. The four-part series for BBC Two charted the defining role the Royal Navy played in Britain's development. Shown at peak time, each episode attracted over two million viewers.

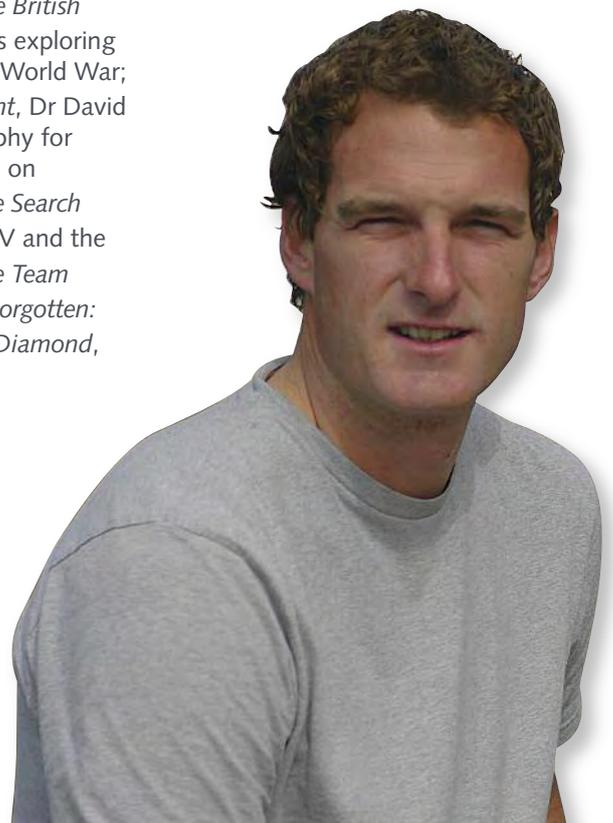
The series made extensive use of rarely-seen manuscripts and records, revealing the hidden human stories behind famous battles and combining finely detailed social history with epic stories. 'We didn't just want to make a traditional series about big battles,' says the presenter, historian Dan Snow. 'We wanted to look at what was going on beneath the surface, covering ordinary things like the supply of nails or food and the impact it had on the rest of Britain.'

Much of the research was done at the British Library, which also provided key items from its collections such as Captain Cook's maps and drawings from his voyages with HMS Endeavour. Dan Snow acknowledges the Library's role. 'It would be impossible to make vivid, relevant and enjoyable programmes about British and world history without the bottomless resource that is the British Library,' he says. 'From conception through to execution, the British Library was our workplace, inspiration and location. It is a place to treasure.'

Other programmes researched and filmed at the Library included: *Dear Diary* for BBC Scotland, in which presenter Rory Bremner took polar explorer Pen Haddow to see the last diary of Captain Scott; *The British Family*, the BBC Two series exploring changes since the Second World War; *Henry VIII: Mind of a Tyrant*, Dr David Starkey's four-part biography for Channel 4; Michael Wood on *Beowulf* for BBC Four; *The Search for Sherlock Holmes* on STV and the History Channel; and *Time Team Special: The Vikings, Not Forgotten: Men of Empire and Hope Diamond*, all on Channel 4.

*From conception through to execution, the British Library was our workplace, inspiration and location. It is a place to treasure.*

**Dan Snow**  
Historian and TV presenter



Right, Dan Snow by Nathan Williams.

Opposite page, Screen shot of *Timelines:*

*Sources from History* website.

## LEARNING

**More than 1.2 million people visit our Learning website each year, gaining access to free resources worth more than £1 million.**

### Bringing the archive to life

The Library provides support for schools and further education in key subjects such as English Language and Literature, Art and Design, History, Media Studies and Religious Education. A wide range of resources, including workshops, conferences and events, is delivered onsite, regionally and online. A key aim is to introduce new, younger and more diverse audiences to the Library, inspiring future Readers and researchers.

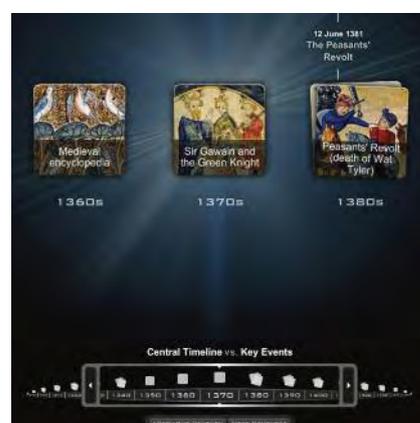
*The new resource is a must for all teachers wanting access to the British Library's vast archive in a quick and accessible way.*

**Dan Lyndon**  
Teacher

One of the year's biggest advances was the launch of an interactive 'timeline' for students and teachers, winner of the Innovation Award at the 2010 Museums & Heritage Awards. *Timelines: Sources from History* gives a fresh insight into culture, politics, technology and everyday life. The Library's Learning team worked with historians and writers to apply new technologies to traditional historical sources, making it possible to explore collection items chronologically from medieval times to the present day.

Users can scan centuries of themed images, audiovisual and printed material. The multimedia experience combines handbills, posters, letters and diaries with charters, speeches and campaign leaflets from political events. Highlights include original records of the Black Death, the Great Fire of London and the abolition of the slave trade. There are manuscripts of great figures such as Queen Elizabeth I, William Wordsworth and Florence Nightingale. Unusual sources range from a medieval Valentine's letter and a 17th century dictionary of criminal slang to a ration tips pamphlet from 1943.

'The new resource is a must for all teachers wanting access to the British Library's vast archive in a quick and accessible way,' says Dan Lyndon, Advanced Skills Teacher (History), at Fortismere School in Muswell Hill, London. 'The pinwheel navigation allows the user to spin through time at a pace that is manageable, making the search for resources straightforward as well as eye-catching.'



*The British Library's Learning website is a wonderfully rich and wide-ranging resource and will have an especial value for teachers and students. It is clearly designed, easy to navigate, contains an extraordinary wealth of information and provides ready access to many of the Library's treasures. For all these reasons, users will find it equally valuable as a source and a stimulation.*

**Sir Andrew Motion**  
Former Poet Laureate

## The UK Research Reserve, a national shared service, will save the Higher Education sector £37 million over five years.

### Making resources go further

The British Library supports UK Higher Education through its collections and services and its partnership and strategic activities. Forming a key part of the nation's research infrastructure, its Reading Rooms and digital collections are used extensively by students and academic researchers. The Library works with academic libraries across the UK through a range of collaborative projects.

In one of the year's key developments, it was announced that membership of a pioneering shared-service model for preserving and distributing research journals had doubled. Fourteen additional Higher Education institutions had joined the UK Research Reserve (UKRR), bringing the total to 29 when membership closed at the end of 2009.

*The range of universities now committed to the UKRR demonstrates the understanding in the Higher Education sector of the many advantages of this kind of collaboration for research resources with the British Library.*

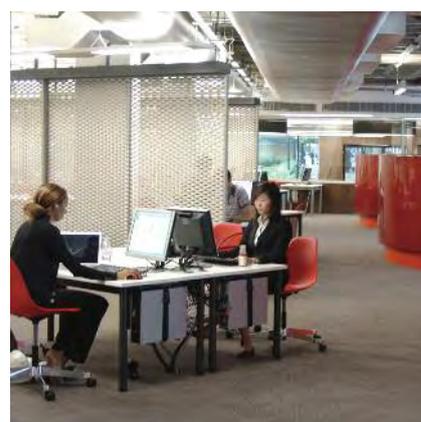
#### Sir Alan Langlands

Chief Executive, Higher Education Funding Council for England

Funded by the Higher Education Funding Council for England (HEFCE) and managed by a partnership between the British Library and the Higher Education sector, the UKRR safeguards the long-term future of printed research journals. The Library stores low-use journals and makes them available through state-of-the-art ordering and delivery systems at Boston Spa, ensuring quick and easy access for researchers, who can choose select journal articles in printed or electronic format.

'HEFCE welcomes the increased membership of this innovative initiative,' says Sir Alan Langlands, Chief Executive of the Higher Education Funding Council for England. 'The range of universities now committed to the UKRR demonstrates the understanding in the Higher Education sector of the many advantages of this kind of collaboration for research resources with the British Library.'

The UKRR both strengthens the national research collection and offers efficient use of resources. By eliminating duplication of their research journal collections, Higher Education libraries can reclaim journal storage space and use it for other priorities. By 2013, it is estimated they will have saved 100 kilometres of shelf space, contributing to savings of £37 million.



Above, Level 1 of the Central Library at Imperial College London after the UKRR process, by Deborah Shorley.

Opposite page, Screen shot of [www.codexsinaiticus.org](http://www.codexsinaiticus.org)

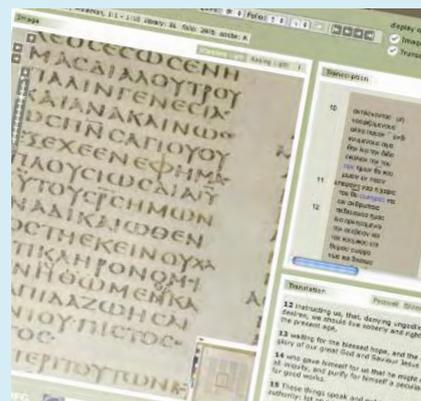
## Overview of the year's main achievements

### Major progress with digitisation

- The Library actively participated in the national debate on the UK's digital future. In April 2009 it hosted the *Digital Britain Summit*, which brought key organisations and individuals together to explore the issues.
- Dame Lynne Brindley responded to the Government's *Digital Britain* report. She called for a coherent UK national strategy to address the need for mass digitisation of content held by national institutions, update the UK's intellectual property regime for the 21st century and develop digital literacy skills for all.
- A milestone was reached in November 2009 when the 500,000th item was added to the Digital Library System. Contents include e-journals, digital sound recordings, born-digital material received through voluntary deposit arrangements with publishers, more than 65,000 digitised 19th century books and more than three million online pages of historic newspapers.
- All 800 surviving pages from the fourth-century Codex Sinaiticus became freely available online to scholars worldwide at [www.codexsinaiticus.org](http://www.codexsinaiticus.org). The virtual re-unification of one of the two earliest surviving Christian Bibles is the culmination of a four-

year collaboration between the British Library, Leipzig University Library, the Monastery of St Catherine (Mount Sinai, Egypt) and the National Library of Russia (St Petersburg), each of which hold different parts of the physical manuscript.

- The official launch of the UK Web Archive took place, offering access in perpetuity to thousands of UK websites for generations of researchers. The Archive preserves a record of the major cultural and social issues being discussed online. The British Library has been working closely on the project since 2004 with a number of organisations including the Joint Information Systems Committee (JISC), the National Library of Wales and the Wellcome Library. Material available through the web archive also covers records from other archival bodies including the National Library of Scotland and The National Archives.
- The Library played a significant role in international collaboration on the future of mass digitisation. Contributing to the EU's 2010 vision to significantly improve access to Europe's cultural heritage, it joined the University of Salford and a group of 15 institutions from across Europe in the four-year IMPACT project (IMProving ACcess to Text), which will remove barriers to the mass digitisation of European cultural heritage.



- In a landmark deal, 65,000 19th century books were made available through Amazon's websites in the UK, US, Germany and France. The non-exclusive agreement allowed Amazon to offer the largely out-of-print books through its print-on-demand service and as free downloads for the Kindle wireless reader. The deal demonstrated how the British Library continues to explore new technologies and innovative business models to improve access to its historic collections.
- The 'New Ways of Reading' display offered researchers an opportunity to sample and give their opinions about the latest digital reading technologies. The display showcased the new Bloomsbury Library Online service, which allows readers to borrow e-books from their public libraries. The COOL-ER reader and Sony's 'Pocket' and 'Touch' devices went on display before they were available in shops.
- The Library announced that it would be working in partnership with sculptor Antony Gormley to archive the online presence of his living monument *One & Other*, in which 2,400 participants each spent an hour on the empty plinth in Trafalgar Square. The collaboration is part of the Library's continuing work to record the nation's cultural and intellectual heritage in the digital age.

## Overview of the year's main achievements

### Major acquisitions

The British Library made important acquisitions in addition to the usual increase in its collections through legal deposit.

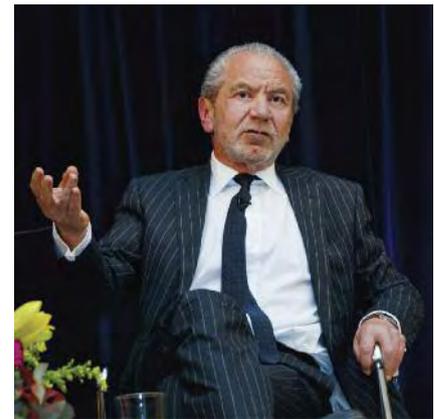
- Eminent writer, critic and thinker John Berger donated his archive, containing drafts of some of his most famous works such as the 1972 Booker Prize-winning novel *G*.
- The Library acquired the archive of the writer and feminist thinker Eva Figes.
- Sir John Narbrough's *Naval Journal* was saved for the nation thanks to a grant from the National Heritage Memorial Fund and the support of Dr Bernard H Breslauer, the Gosling Foundation and other individual donors. The rare manuscript contains the account of the explorer's voyage to South America from 1669–71.



- An archive of 821 digital audio recordings was acquired from shellac gramophone discs held in the Berliner Lautarchiv at the Humboldt University in Berlin. It includes the oldest known collection of English dialect sound recordings in existence, which were recorded at German prisoner of war camps between 1916 and 1918.
- The Library acquired the archive of the writer and artist Mervyn Peake, best known as the author of *Gormenghast*, for which he won the Heinemann Prize for Literature in 1951. His archive includes his *Gormenghast* notebooks, *Alice in Wonderland* and *Alice Through the Looking Glass* illustrations and personal correspondence, and was acquired with support from The Art Fund, Friends of the British Library, Friends of the National Libraries and individual donors.
- In addition to these new acquisitions, the manuscript memoir of Russian spy Anthony Blunt was made available to Readers for the first time, after the expiry of restrictions on public access required by the donor 25 years ago.

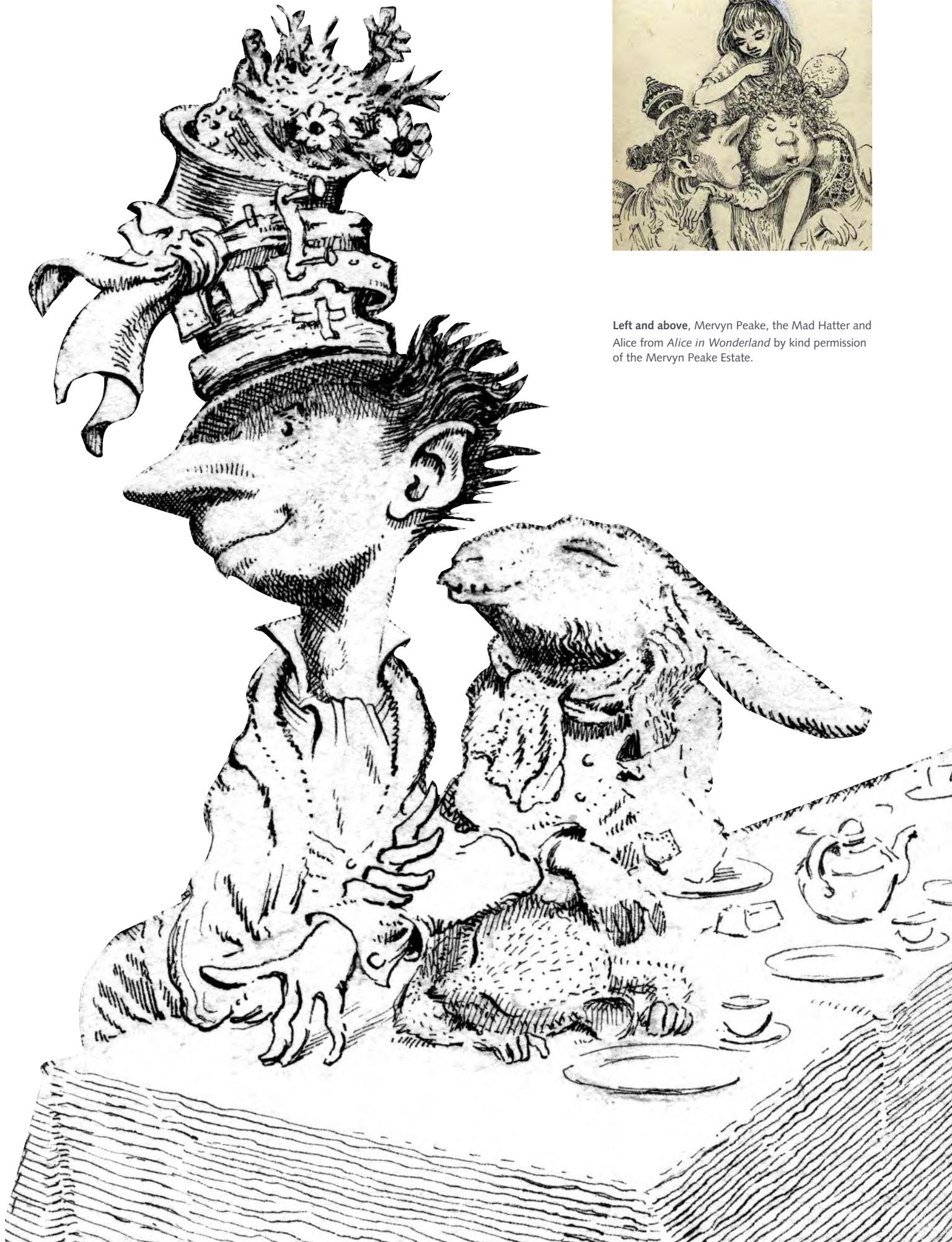
Left, Sir John Narbrough *A Draught of Port San Juliyan* (detail), 1669–71.

Above, Sir Alan Sugar at the Conference Centre.



### Business & IP Centre activities

- The Business & IP Centre generated a net present value of £11.3 million to the UK small business sector, according to an independent report for the British Library and the London Development Agency.
- As part of its ongoing Web 2.0 strategy to engage and inspire entrepreneurs, the Centre launched a new interactive website – [www.bl.uk/bipc](http://www.bl.uk/bipc) – giving access to its own YouTube channel, social networking forums, blogs and webcasts.
- The Centre launched and hosted Global Entrepreneurship Week 2009, contributing a week of seminars, workshops and one-to-one advice sessions. Key events included *In Conversation with Lord Sugar* and *Extraordinary Entrepreneurs Evening* with leading female entrepreneurs including Linda Bennett, Julie Meyer and Rachel Elnaugh.
- The inaugural Management Book of the Year competition was launched in collaboration with the Chartered Management Institute (CMI), in a nationwide search to find the UK's best management books.



Left and above, Mervyn Peake, the Mad Hatter and Alice from *Alice in Wonderland* by kind permission of the Mervyn Peake Estate.

## Overview of our year's main achievements

### Collection stewardship achievements

- The British Library's new £26 million Additional Storage Building (ASB) at Boston Spa in West Yorkshire was opened by regional minister the Rt Hon Rosie Winterton MP. The world's most advanced storage facility, the ASB applies the latest technology to provide 262 kilometres of storage space with controlled temperature and humidity. It will eventually house approximately seven million items from the UK national collection.
- The Government made a commitment of £33 million to preserve and make accessible the world's greatest newspaper collection. Currently housed in sub-optimal conditions in Colindale, the collection will be moved to a new state-of-the-art storage facility at Boston Spa, with digital and microfilm access from St Pancras.



### Copyright debate and the Digital Economy Bill

- The British Library worked to ensure that copyright issues of importance to the research and education sector are included in the ongoing public debate on copyright, and reflected in any subsequent legislation, rules or regulations. It welcomed the Government's proposed 'copyright roadmap'.
- The Library responded to the Government's Digital Economy Bill, which was in Committee Stage at the end of the financial year. The Bill's aims of allowing the use of 'orphan' works, crucial to enabling mass digitisation projects, was supported by the Library. The Library asked for clarification about the effect on libraries and educational establishments from proposed new laws on file sharing.



### Major exhibitions

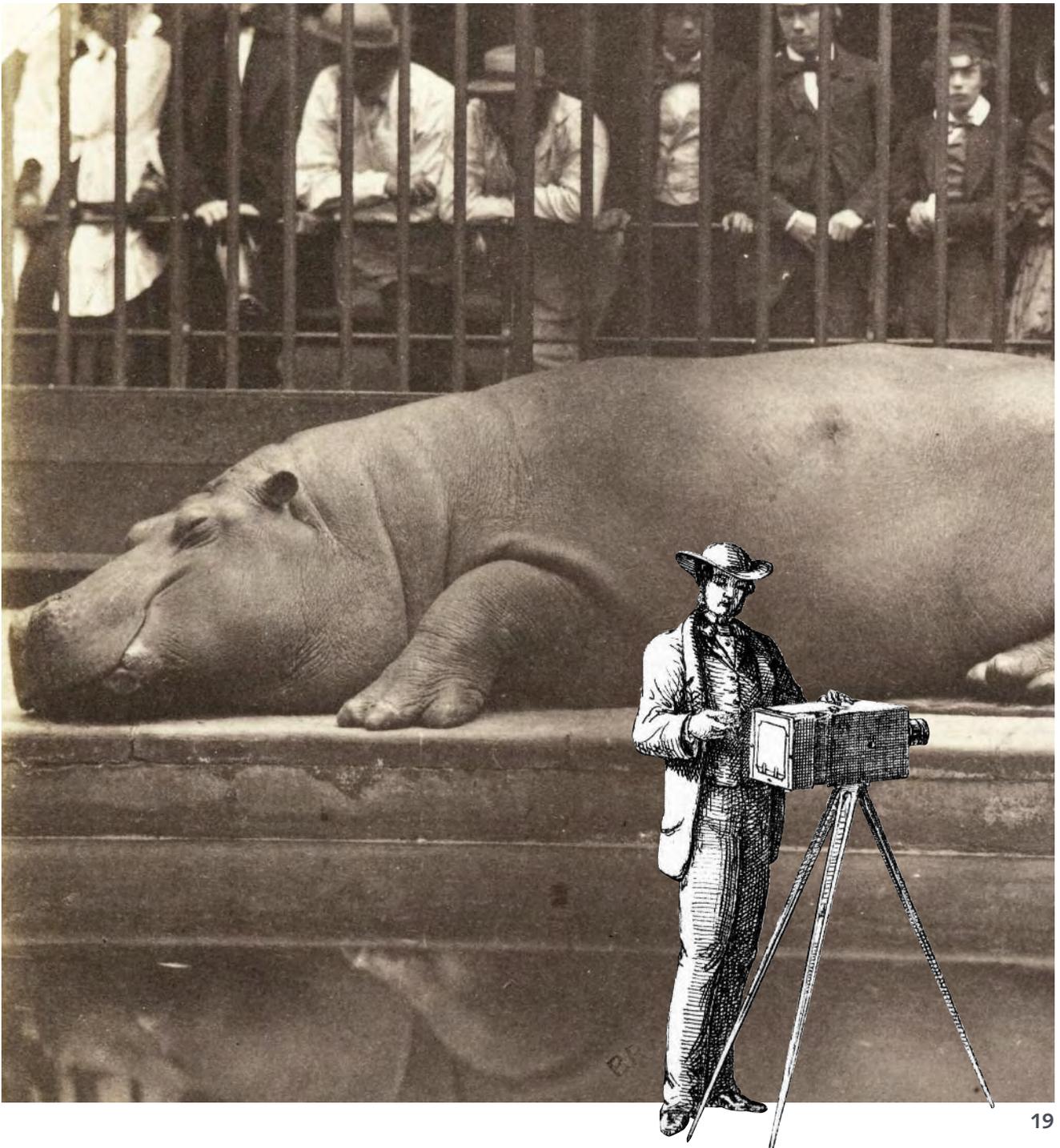
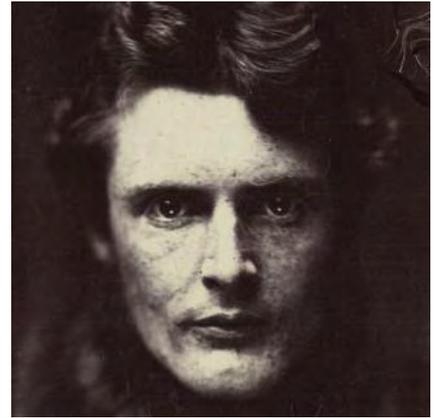
- *Henry VIII: Man and Monarch.* Guest-curated by historian and broadcaster Dr David Starkey, this highly popular exhibition celebrated the 500th anniversary of Henry VIII's accession to the throne, encouraging visitors to reassess their perceptions of the great Tudor monarch. 250 exhibits went on show, including correspondence, documents, maps and books. A record level of positive feedback was received. Family events and a UK touring programme reached a wide audience.
- *Points of View: Capturing the 19th Century in Photographs.* The British Library's first major photographic exhibition examined the development and influence of photography from its invention in 1839 up to the growth of a popular amateur market in the early 20th century. Rarely displayed items from the collection showed how photography had assumed a critical role as the primary means of visual expression.

Above, Dr David Starkey at the opening of our *Henry VIII* exhibition by Roland Kemp.  
Left, Additional Storage Building © Press Association.

Images from our *Points of View* exhibition;  
**Right**, Lady Alice Mary Kerr, *Portrait of Wilfrid Scawen Blunt*, c.1870.

**Below**, Comte de Montizon, *The hippopotamus at the Zoological Garden, London*, 1852.

**Below right**, Cuthbert Bede, *Photographic Pleasures*, popularly portrayed with pen and pencil (detail), 1855.



## Overview of the year's main achievements

### Science, technology and medicine

- The Library collaborated with the US Department of Energy to create a global science gateway. The online portal [www.worldwidescience.org](http://www.worldwidescience.org) consolidates open access scientific research from almost 60 countries. It enables researchers to search over 50 national databases simultaneously, giving free access to authoritative information on cutting-edge scientific research.
- An innovative web interface (<http://beta.ukpmc.ac.uk>) was showcased, improving access to UK PubMed Central, the UK's largest free online life sciences resource. More than 1.7 million full-text, peer-reviewed biomedical research articles and more than 19 million other life science research papers are available free to the UK biomedical and health research community.
- TalkScience discussion evenings hosted by the British Library provided opportunities for researchers from academia and industry to debate topical issues with policy makers, research funders, publishers and all those with a stake in science. Themes included 'Scientific findings in a digital world: What is the genuine article?', 'Personal GenoME and Medicine: Hype or Reality?' and 'GM crops and food security: curing the world's growing pains?'

### Scholarship and collections

- A Management and Business Studies Portal is scheduled for launch in October 2010, and will provide remote access to the Library's digital content, increase use of its collections and provide exclusive editorial content, personalisation and alerting services for more than 90,000 researchers, policymakers and practitioners.
- Digitisation of 19th century Indian government reports took place with funding from the World Collections Programme. The reports contain a wealth of information about politics, the economy and society. A set was presented to the National Archives of India. Digitisation is an important step towards improving access to the South Asia collections through collaborative projects with academics and other institutions.
- The Preservation Advisory Centre ([www.bl.uk/blpac](http://www.bl.uk/blpac)) was launched. The Centre supports the preservation of library and archive collections of all types through the provision of management tools, training and information services. It will take part in the preservation of library and archive collections, and encourage the value of investment in preservation to be recognised and supported.

- The British Library and other legal deposit libraries secured an extension to the voluntary deposit agreement covering the Ordnance Survey's premier digital mapping products. They also gained the national mapping agency's support for data containing OS intellectual property rights to be deposited, with potential for a major expansion of geospatial data deposits.
- Techniques were developed for the curation of 'born-digital' archives of writers, scientists and others. Access was enabled through the eMSS (e-manuscripts) server in the Manuscripts Reading Room. The British Library has led the way in ensuring authenticated digital capture of personal digital objects.

Below, Sir Marc Aurel Stein, Mosque of Ali-al-Hadi, Samarra, 1929.





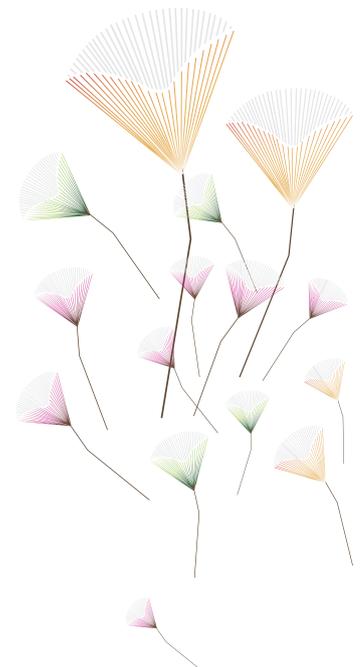
## Other notable developments

- A Memorandum of Understanding with the BBC was signed to develop new ways of integrating access to nearly a million hours of BBC TV and radio content and more than 150 million British Library items. The outcome will significantly increase access to research material across both national institutions for the benefit of researchers and the wider public.
- The *Magna Carta*, on display in the Treasures Gallery, was awarded 'Memory of the World' status by the UN Educational, Scientific and Cultural Organisation (UNESCO), in recognition of its outstanding universal value.
- Dr Barham Saleh was welcomed to the Library when he visited London as Deputy Prime Minister of Iraq in April 2009. He was presented with the first tranche of digital records from the Library's historic India Office collections, which had been identified in close consultation with the Director of the Iraq National Library and Archives. More than 50,000 records are being provided.
- The Library played a pivotal role in the UK Research Reserve programme ([www.ukrr.ac.uk](http://www.ukrr.ac.uk)), a national shared service. It securely stores and preserves the Research Reserve collection on behalf of 29 Higher Education institutions and makes the journals accessible to researchers via its Document Supply Centre in Boston Spa. Through the UKRR, the Library is protecting the research information infrastructure and releasing 100 kilometres of shelf space in Higher Education libraries.
- A new partnership with the Arts and Humanities Research Council (AHRC) was formed to encourage the growth of South Asian studies. A framework agreement made it possible to identify joint research priorities in India and the UK and work collaboratively on support projects. The agreement will build stronger bonds between research and Higher Education institutions in both countries.

**Above left**, Deputy Prime Minister of Iraq Dr Barham Saleh with Dame Lynne Brindley and Colin Baker, Head of Near and Middle-East Collections.

**Above**, Mark Thompson, BBC Director-General signs the Memorandum of Understanding with Dame Lynne Brindley.

**Below**, Image from *Growing Knowledge: the Evolution of Research* site.



## Progress against 2009/10 commitments and report on key funding projects



### 1. Capture extensively and store UK digital publications

**Continue to work through the Legal Deposit Advisory Panel (LDAP) of which the British Library is a member, to make recommendations to Ministers on how to collect digital publications**

The Legal Deposit Advisory Panel's (LDAP) recommendations on the voluntary deposit of off-line materials were submitted to the Department for Culture, Media and Sport (DCMS) and the revised voluntary scheme was launched on 1 March 2010.

Working towards regulations for archiving of the free web, the DCMS initiated a public consultation in December 2009 on the Panel's recommendations to which the Library responded. For other commercial online publications, the LDAP recommendations were delivered to the DCMS by the much shorter deadline of 31 March 2010.

The UK Web Archive was successfully completed and officially launched by the Rt Hon Margaret Hodge MP, then Minister for Culture, in February 2010, offering access in perpetuity to thousands of UK websites for future generations of researchers.

We have started to accept e-journals, including articles, and 25 publishers have agreed to participate and have deposited or allowed downloads.

**Continue to collect offline digital items, e-journals and publicly available web content through voluntary schemes**

We are an active participant of the International Internet Preservation Consortium (IIPC), co-leading its Access and Harvesting working groups. We are the main collector and provider of the UK Web Archive, working in partnership with the National Library of Wales, Wellcome Library and the Joint Information System Committee (JISC). We have continued to collaborate with other external organisations, resulting in an increasing number of special collections within the UK Web Archive.

We successfully released a new user interface for the UK Web Archive, and exceeded all our annual targets for archiving, with the Library now holding 4,252 archived websites and 13,373 instances. Special general election collection is in progress, and our archiving of Olympic 2012 material is already underway. We are the only Library offering streaming capability for audio visual content.

### 2. Connect our users with content

**Enhance access to the Library's digital material by extending the scope of our resource discovery system to new content including newspapers, journal articles, audio and the web archive**

Search Our Catalogue Version 2.1 was released on schedule in June 2009, delivering enhanced newspaper title display as well as improved information on shelfmarks. It also improved access to displays of supplementary images of book covers and abstract information.

During the year further improvements have included additional Web 2.0 functionality to the Library's catalogue via PRIMO, the Library's Resource Discovery system, including data from the British Library Sound Archive and UK Web Archive; remote journal access services, the infrastructure required to harvest e-journals metadata from the Digital Library System; and access to a selection of dataset records and Integrated Archives and Manuscripts data. Work is continuing on the integration of PRIMO with the Library's Digital Store.

**Pilot the creation of scanned metadata as an alternative to cataloguing**

Initial costs have been assessed and processes designed for our Boston Spa site in West Yorkshire where Bibliographic Data Services have processed 12,500 records. Since the start of the pilot, 22,000 records

have been added to our catalogue. A tender process has been completed to finalise the processing of English language material. The pilot results have been analysed and a business case developed in support of operational services for 2010/11. Funding has been secured and the operation will be known as NETCAT (Networked Cataloguing).

We have validated our approach to the creation and use of surrogates, with new operational processes developed and implemented for data handling and integration into Library workflows. We have improved our scanning software to better support targeting of appropriate backlog material.

### **Continue to develop an integrated system for the provision of access to the Library's archives and manuscripts**

With the overall aim to make over one million records of archives and manuscripts holdings accessible to researchers, the resource discovery service for the Integrated Archives and Manuscript System (IAMS) went live in October as planned. The number of areas cataloguing directly in IAMS continues to increase with 3,500 records newly catalogued by the end of the year. The data migration from existing catalogues to IAMS was on track with 176,000 catalogue entries and 86,000 name authority entries. Records continue to be harvested into 'Search our Catalogue: Archives and Manuscripts' and the user interface has been improved and management information reporting has been completed.

### **Integrate Web 2.0 approaches more deeply into the Library's website and online discovery tools to improve the user experience**

Notes, tagging, favourites and personal galleries features went live on the Online Gallery, as well as an enhanced description and interpretation of the content to enable users to engage more closely with the site. In the *Points of View: Capturing the 19th Century in Photographs* exhibition we offered a blend of invited expert comments

and contributions in the Gallery and via Online Gallery Web 2.0 features. Archival Sound Recordings saw Google maps 'mashups' introduced and 'UK Sound Map' enhancement was developed in partnership with the Audioboo microblogging site, which allows the upload of user-generated audio. During the year, our Facebook fan-base rose by 238% to 10,584; twitter followers reached 33,639, including 564% growth in the final quarter; seven new blogs were developed; blog page hits were up by 75% and Podcast downloads up by 319% on 2008/09.

### **3. Transform access and preservation for newspapers**

#### **Continue to implement the plan for a dedicated newspaper storage building at Boston Spa and state-of-the-art digital access to newspapers, working closely with the newspaper industry, at our St Pancras site in London**

Funding for the newspaper storage programme was announced by the former Prime Minister on 16 October 2009. Subject to the outcome of the Comprehensive Spending Review, the full business case and funding of £33 million has been approved by the DCMS for a new newspaper storage building, and planning permission achieved with Leeds City Council ahead of schedule. The automation contractor for this dedicated building has been appointed, with design work in progress. Preparations for exit of our leasehold premises at 120 Colindale Avenue are on schedule.

The new system for accepting and processing hard copy issues of legal deposit newspapers at Boston Spa is now operating, and digital titles are being accepted into the digital library system as planned.

The British Library's 19th Century Newspapers project, developed in partnership with JISC and Gale, part of Cengage Learning, was launched in March 2010. This offers researchers greatly enhanced access to a vast archive of socially, culturally and historically important collections previously only available in the

Library's London-based Reading Rooms. The latest addition takes the total number of pages of 19th century newspapers available through the online institutional gateways to over three million, and includes 22 new titles covering a range of both regional and metropolitan publications, such as the *Cheshire Observer*, the *Royal Cornwall Gazette* and the *Nottinghamshire Guardian*.

Following a full EU procurement process, we completed negotiations on a major new partnership between the Library and online publisher brightsolid, owner of online brands including findmypast.co.uk and Friends Reunited. The ten-year agreement will deliver the most significant mass digitisation of newspapers the UK has ever seen: up to 40 million historic pages from the national newspaper collection will be digitised, making large parts of this unparalleled resource available online for the first time. The content will be available, for free, to users in the Library's Reading Rooms, with copies of all digitised material being held in our collection, in perpetuity.

### **4. Support UK research with innovative services and integrated processes**

#### **Work in partnership with the Higher Education Funding Council for England and the Higher Education community led by Imperial College London to implement the UK Research Reserve which will secure long-term access to research journals**

The UK Research Reserve (UKRR – [www.ukrr.ac.uk](http://www.ukrr.ac.uk)) is pleased to welcome 14 new Higher Education Institutions as members, taking its final membership to 29. The UKRR offers a secure solution to storing and preserving low use print research journals whereby we house collection on behalf of the Higher Education sector and make the content accessible to researchers through our Document Supply service. The programme is made possible through funding from the Higher Education Funding Council for England (HEFCE).

## Progress against 2009/10 commitments and report on key funding projects

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Its key aims are to protect the research information infrastructure and to release 100 kilometres of shelf space in Higher Education libraries allowing them to re-use the space in response to changing institutional priorities.

### **Modernise the search, ordering and delivery mechanism used for the Library's remote document supply services to Higher Education**

The Library has awarded a contract to Capgemini to work on the development of an Integrated Request Management and Delivery System (IRMDS) for its document supply service. IRMDS will allow us to modernise our core document supply services to UK Higher Education and also support new ways of working with UK Research Reserve customers. We have delivered a detailed implementation plan for the main development phase, and the first stage of this plan has been completed on time, with the majority of the analysis and design due early in 2010/11.

### **Establish the potential for the development of the land to the north of the St Pancras site and continue to develop the case for the creation of a digital research centre (DRC)**

Following a rigorous tender process, the British Library appointed Farrells as its architectural partner to work on the master planning of its nine acre site at St Pancras, London.

Consultants submitted proposals to work on a master plan for the future

development of the entire site to support the Library's future strategy and plans in a changing, and increasingly digital, world.

Significant work was done to reshape the Digital Research Centre programme, switching its focus away from a discrete 'new build' solution, to encompass future propositions that could be offered to researchers across all channels.

The Library is planning an exhibition in September 2010, *Growing Knowledge: the Evolution of Research*, to introduce and demonstrate a broad range of digital services and tools designed to enhance individual and collaborative research.

The exhibition will be highly interactive using feedback from exhibition visitors to inform and influence the development of future digital research services in the Library. The Library will be working closely with a number of partners on the exhibition including: Microsoft, HP, JISC, Haworth and a number of content and application partners including the BBC and the British Film Institute.

### **Continue to develop a Research Information Centre (RIC) in partnership with Microsoft. Launch a full beta service for biomedical researchers**

The Library offered a working version of the beta service in March 2010, with additional functionality. The team is now in place and the technical development work has been

outsourced to Idea Entity, enabling work to start on the development of the biomedical functionality in parallel with Microsoft's development of the framework. We continue to work with our partners, the National Institute for Health Research, Oxford University, Manchester University and Kings College London.

**Implement the Library's Science, Technology and Medicine strategy. Assess user needs and behaviours to develop new products and services exploiting STM material. Test the incorporation of datasets as a content type**

The Content Strategy implementation has progressed, with a range of e-books and e-journals now available in the Reading Rooms. Specific user guides have been developed for two multi-disciplinary areas, whilst PhD focus group work and a joint study with the Research Information Network on life science researchers' behaviour has fed into user needs.

Rapid changes in the digital landscape are allowing people to generate and share ever increasing volumes of data. This data forms the foundation for research and is critically important to researchers and policy makers across all disciplines. There is now a core dataset team who are working alongside dataset specialists in the STM and Social Science teams. Developments have been made in a number of areas and the team is working closely with Datacite, an international initiative, to create a co-ordinated approach for researchers to identify, cite, find, and use datasets. Links to over 100 STM datasets are now available in PRIMO, with selection guidelines for datasets now developed.

**Continue to engage with the World Collections Programme (WCP) which aims to share British cultural and curatorial expertise with institutions particularly in Africa and Asia**

We have successfully completed the second year of the WCP, a three-year, £3 million initiative funded by the DCMS, involving six UK institutions, including the British Library, which aims to develop links with institutions

in Asia, Africa and the Middle East. Some of our highlights have included a visit of researchers from the Institute of Ethiopian Studies and a very successful diplomatic induction event, with over 150 attendees from 88 missions. The Library is currently working with colleagues at the Royal Botanic Gardens, Kew and the Natural History Museum to digitise key correspondence, drawings and specimens and records relating to the 19th century botanist Nathaniel Wallich, the Superintendent of the Calcutta Botanic Gardens. We have also jointly supported, with the British Museum, interns from China working on the International Dunhuang Project.

A second tranche of funding from the Foreign and Commonwealth Office has been received for the digitisation of further records for the Iraq National Library and Archive.

## 5. Build our digital infrastructure

**Continue to deliver the digital library system to provide storage, preservation and long-term access to digital material**

In this year, we have made significant progress with the digital library system, starting the transfer of vulnerable item images into the digital library store, as well as PDF and word format journals. During the year we have upgraded the system enabling 7.4 terabytes of material to be ingested during March, a record volume.

The Library aims to allow digitised and born-digital newspapers to be ingested and stored in a preservation quality store, and to deliver them from the store to users. Materials will include born-digital titles as well as our digitised collections. The operational ingest storage and discovery/delivery services established will be used by future newspaper digitisation projects. To date we have demonstrated the capability to ingest born-digital material through a partnership with one UK publisher.

**Continue to lead the development of the European Commission funded PLANETS project in which national libraries and other bodies are developing a framework to support the long-term preservation of digital material**

The PLANETS Project (Preservation and Long-term Access through NETworked Services) is a four-year project which commenced in June 2006, designed to deliver a sustainable framework to enable long-term preservation of digital content, increasing Europe's ability to ensure access in perpetuity to its digital information. During its final year the project completed an extensive market survey with nearly 200 organisations responding; held meetings with 18 vendors to explore possible options and commercial interest; completed the next release of the software suite; launched testbed services for public evaluation and community use; and began incorporating feedback from case studies, training course participants

## Progress against 2009/10 commitments and report on key funding projects

and the broader community into the next phase of development work.

The European Commission's third annual review was very positive, giving specific praise to the British Library for its role in the management of the project. We have approved a plan to host and incubate a successor organisation at the Library and the Open Planets Foundation (OPF), based on an open licensing approach, was subsequently created in March 2010 with ten founding members and providing a sustainable organisation to carry forward the results of the PLANETS and further develop digital preservation capabilities. The successful programme of training events has attracted expressions of interest in the use of PLANETS from the United Nations, UNESCO and NATO.

### 6. Integrate storage and preservation of physical collections

#### **Implement the Collection Security Workplan to safeguard and steward the national collection and enhance the security of vulnerable material**

Progress has been made against all actions set out in the Collection Security Workplan by the new Collection Security Steering Group and the Operational Group, including a collection lifecycle tour at Boston Spa which increased overall understanding of collection risk issues. A revised work plan for 2010/11 has been created to reflect budget challenges, ongoing and continuous

improvement projects and embed collection security within existing departmental budgets.

#### **Begin re-locating collection items to the newly built, high-density book storage facility at Boston Spa and commence retrieval and delivery services**

The world's most advanced library storage facility was officially opened at the British Library's Boston Spa site in West Yorkshire during December 2009. The Additional Storage Building (ASB) combines a range of cutting-edge technologies to offer 262 kilometres of temperature and humidity-controlled storage space, and will eventually house approximately seven million items from the UK national collection.

After initial delays early in the year, due to problems with the supplier's delivery of necessary containers, the container and book transfer into the ASB subsequently picked up speed faster than was originally planned and the consequential impact on the collection move sequence resulted in a three month rolling extension of a our lease of the Woolwich building.

### 7. Develop as an organisation

#### **Continue to develop and implement integrated Talent Development and Succession planning framework**

As well as implementing the actions outlined on the previous talent

review, we have developed a talent management strategy for next year and beyond. A number of Development Centres and the Organisation Talent Review ran successfully. The Directorate talent review process was assessed and new software developed to manage campaigns in 2010/11.

In addition, the Library has offered five future Jobs Fund placements in a New Deal of The Mind Consortium Bid.

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## STRATEGIC PRIORITIES

# Action plan for 2010/11

under way for the next three-year Gender, Transgender and Sexual Orientation Action Plans and for Race Equality Benchmarking which will further prepare the Library. We have also kept abreast of developments of the Equality Bill which has become the Equality Act 2010.

**We have an innovative and exciting programme to deliver. We present below some of the important activities we aim to have completed by 2011, set against our seven strategic priorities. We will report progress and achievements in our Annual Report for 2010/11.**

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### **Continue to develop and implement the Library's Corporate Social Responsibility Strategy which supports the quality of life of the workforce and impacts positively on the community, wider society and the environment**

The first annual report on Corporate Social Responsibility was published this year. The Library chose READ International to be our Corporate Community Initiative for 2009/10, offering our expertise, volunteering shows, and providing a database for this charity that collects books and distributes them to Tanzania.

Our local community work continued apace and we successfully hosted the Camden Education Business Partnership Volunteering End of Year Event, as well as a host of Black History month activities. A Green Champion group has been formed with support from Cofely, following on from the Energy Awareness Days held across the Library in the summer, and the Library was awarded Gold in the London Green500 accreditation for its improved energy use.

### **Continue to develop and implement the Library's Diversity Strategy to build a diverse workforce and increase engagement with wider communities**

We have delivered the Disability, Race and Gender Equality Annual Reports, and the new three-year Disability and Mental Health Action Plans together with the Equality Commission for Northern Ireland (ECNI) Progress report on Diversity. Preparations are

### **1. Capture extensively and store UK digital publications**

- Continue to work towards arrangements for legal deposit, storage and preservation of e-publications.
- Increase the awareness and effectiveness of our web archiving activities.

### **2. Connect our users with content**

- Significantly improve discovery of content and ease of use of our website at [www.bl.uk](http://www.bl.uk); increase our web user satisfaction rating by at least 5%.
- Open a new Learning Space at St Pancras and deliver 1.4 million visitors to the Learning website.

# Key Performance Indicators

Quality	Target 2009/10	Actual 2009/10	Actual 2008/09	Actual 2007/08
Reading Room user satisfaction: percentage of Readers rating the services and facilities they used as either 'very satisfied' or 'quite satisfied'	92%	94%	93%	93%
Exhibition visitor enjoyment rating: percentage of visitors rating the enjoyment of their visit as either 'excellent' or 'good' <sup>1</sup>	90%	96%	–	–
UK remote user satisfaction: percentage of users who are 'totally satisfied' with the Document Supply service <sup>2</sup>	86%	89%	83%	82%
Web usage satisfaction: percentage of website users rating www.bl.uk as 'excellent', 'very good' or 'good' <sup>3</sup>	85%	92%	92%	–
<b>Throughput</b>				
Number of visitors to the Library's Learning website <sup>4</sup>	825,000	1,238,811	1,221,426	1,106,746
Number of learners attending educational sessions <sup>5</sup>	11,250	19,779	19,772	17,561
Number of visitors to the Library's onsite and virtual public access facilities	1,630,000	1,885,853	1,752,718	1,699,161
Number of items supplied/consulted remotely and onsite <sup>6</sup>	8,307,000	10,870,262	8,340,518	8,209,444
Number of visits to Reading Rooms	510,000	516,974	501,020	486,867
Number of items acquired/processed <sup>7</sup>	933,023	916,509	996,776	984,681
Percentage of UK legal deposit material acquired	90%	88%	88%	94%
Percentage of material delivered electronically <sup>8</sup>	72%	71%	65%	60%

- 1 An exhibition visitor enjoyment rating was introduced in 2009/10 to replace exhibition visitor satisfaction. The target has been set on the basis of benchmarks across other exhibition providers.
- 2 From 2009/10 the method of data collection was changed from sending hard copy questionnaires to customers for completion to Customer Services staff conducting a short telephone interview with selected customers ensuring all segment groups are represented. This has been hugely successful and is now a driver for improvement within Document Supply processes.
- 3 The web satisfaction survey was introduced in 2008/09.
- 4 Our award-winning Learning website provides source material and interactive activities for teachers and students, supporting English, History, Religious Education, Art and Design, and Citizenship.
- 5 Our onsite educational sessions include student workshops for all ages, teacher conferences, community and family activities and adult tours. Participants in our national educational initiatives supporting Citizenship, History and English are not included in these figures, nor are participants in our regional programmes.
- 6 Items supplied/consulted includes access to the collection through our Reading Rooms, Remote Document Supply services and access to digitised images on our website. The Codex Sinaiticus website ([www.codexsinaiticus.org](http://www.codexsinaiticus.org)) was launched in July 2009 and contributed over 1.5 million to the total. Demand for British Library collection material continues to grow within the Reading Rooms. This is largely due to increased usage of the Science Reading Rooms and the consequent rise in demand for journals and periodicals held on Open Access. Demand for Humanities material has also remained strong.
- 7 The number of items acquired/processed is lower than in previous years due to a number of factors. These include the cancellation of a number of print serials where the content is available electronically, a number of newspaper titles have ceased production during the year resulting in a reduction in the number received under Legal Deposit, the completion of a retrospective claiming exercise in 2008/09 relating to Legal Deposit monographs (which inflated last year's figures) and a reduction in the number of purchased monographs.
- 8 Percentage of material delivered electronically covers all forms of electronic delivery. These include secure electronic delivery (digitally scanned copies from printed sources), post to web (item placed on a secure web page for the user to view), direct download (user has access to an e-stored item) and Ariel (scanned item transmitted to user).

# Efficiency Savings 2009/10 £7,857,000

# Average sick leave per staff member 6.38 days

	Target 2009/10	Actual 2009/10	Actual 2008/09	Actual 2007/08
<b>Throughput</b>				
Exhibition loans to other institutions <sup>9</sup>	40	57	51	50
Items acquired <sup>10</sup>				
Monographs	217,100	233,087	262,699	236,069
Serial titles <sup>11</sup>	–	93,406	101,280	104,161
Newspaper issues	144,400	150,631	158,555	163,133
Patent specifications <sup>11</sup>	–	3,232,627	2,360,493	2,306,195
Other special materials <sup>12</sup>	9,423	7,376	12,631	56,474
Electronic	29,500	37,784	31,686	30,787
Cataloguing backlogs <sup>11</sup>	–	866,047	885,625	640,000
Catalogue records created <sup>11, 13</sup>	–	478,951	408,648	416,047
Digital images created <sup>11, 14</sup>	–	412,779	15,155,533	9,605,492
<b>Efficiency savings</b>				
Efficiency savings (cash and non-cash) <sup>15</sup>	£5,648,000	£7,857,000	£4,942,000	£18,260,000
<b>Efficiency</b>				
Document supply and monograph lending fulfilment rate	83%	82%	82%	81%
Percentage of material held onsite delivered in St Pancras Reading Rooms within 70 minutes	93%	96%	93%	92%
Average sick leave in working days per staff member	7.5	6.38	6.26	7.5

<sup>9</sup> Loans to individual institutions, not numbers of items lent.

<sup>10</sup> Figures reflect acquisition by purchase, exchange and legal deposit.

<sup>11</sup> No overall target was set for 2009/10.

<sup>12</sup> From 2008/09, the majority of other special materials acquired are now included under Monographs.

<sup>13</sup> The increase in 2009/10 is mainly due to a number of factors within the Sound Archive, particularly a system upgrade which resulted in a period of downtime in 2008/09 but increased productivity in 2009/10. In addition a number of temporary appointments were made in 2009/10 to reduce backlogs.

<sup>14</sup> The 19th Century Book Digitisation project was completed in May 2009 which contributed to the majority of the 2008/09 and 2007/08 figures.

<sup>15</sup> Total based on figures provided to the Department for Culture, Media and Sport based on actual outturn up to March 2010. The figure includes efficiencies for 2008/09 and 2009/10 covering the Government's Value for Money efficiency programme agreed as part of the last Spending Review. Previous years' figures show the savings achieved over a number of years under the last Gershon efficiency programme.

# Statistics

## WEBSITE USAGE

Use of www.bl.uk	2009/10	2008/09
Unique hosts served <sup>1,2</sup>	6,208,184	6,211,722
Successful requests for pages (page hits) <sup>2,3</sup>	74,635,211	77,273,030

- 1 Unique hosts served is the best approximation available to the number of individual users of the website.
- 2 The slight decrease in 2009/10 is mainly due to extensive changes to the Library's website which had a temporary impact on the visibility of individual pages via search engines.
- 3 The number of pages of all types viewed on the website. Every landing on every page is counted in this figure.

## SERVICE IN THE READING ROOMS

Seats available for users at 31 March 2010	Reader desks	Other provision <sup>1</sup>
Humanities Floor 1 and 2 Reading Rooms	442	83
Rare Books & Music Reading Room	293	76
Maps Reading Room	49	22
Asian & African Studies Reading Room (formerly known as Oriental and India Office Reading Room)	81	51
Manuscripts Reading Room	72	28
Philatelic Collections	1	0
Science Reading Rooms	129	53
Business & IP Centre	100	77
Social Sciences Reading Room	59	23
Newspapers (Colindale)	77	77
Boston Spa Reading Room	84	14
<b>Total</b>	<b>1,387</b>	<b>504</b>

- 1 This includes seats provided at the British Library Integrated Catalogue screens, electronic database terminals, microform readers and carrels (the individual study booths in the Reading Rooms).

## BIBLIOGRAPHIC SERVICES

Records in British Library catalogues and databases at 31 March 2010	2009/10	2008/09
British Library Integrated Catalogue <sup>1,2</sup>	12,964,141	12,506,391
Access to archives <sup>2,3</sup>	593,338	593,338
Asia, Pacific and Africa Collections – Japanese and Chinese <sup>2,4</sup>	67,931	63,621
Allied and Complementary Medicine (AMED)	241,245	230,091
British National Bibliography (BNB)	2,954,885	2,794,006
Sound Archive Catalogue <sup>2</sup>	3,190,131	3,134,287
English Short Title Catalogue (ESTC) <sup>2</sup>	478,152	477,300
Incunabula Short Title Catalogue (ISTC) <sup>2</sup>	30,123	29,993
Electronic table of contents <sup>2,5</sup>	37,743,439	35,253,510
International Standard Serial Numbers (ISSN) UK Centre	127,145	125,909
Manuscripts <sup>2</sup>	825,382	818,037
Newspapers <sup>2</sup>	57,352	55,761
Register of Preservation Surrogates	219,655	217,967
<b>Total <sup>6</sup></b>	<b>59,492,919</b>	<b>56,300,211</b>

- 1 Number of unique records. A project to remove any duplication is ongoing.
- 2 Available from the Library's website.
- 3 Conversion of printed catalogues to electronic versions for inclusion on the Access to Archives website hosted by The National Archives, was completed in 2006/07 and therefore this figure has remained the same in 2009/10 and 2008/09.
- 4 All other Asia, Pacific and Africa Collection material, except for Japanese and Chinese material, is included in the British Library Integrated Catalogue.
- 5 A database listing articles and conference papers by title, derived from the top 20,000 research journals. The database is available through British Library Direct and to higher education through zetoc.mimas.ac.uk.
- 6 The total does not represent the number of unique records. There is significant overlap between some files e.g. British National Bibliography and British Library Integrated Catalogue.

## COLLECTION DEVELOPMENT

Collection Holdings at 31 March 2010	2009/10	2008/09
Monographs <sup>1</sup>	13,950,002	13,735,633
Serial titles (all) <sup>2</sup>	824,101	826,112
Manuscripts (single and volumes)	351,116	347,263
India Office records <sup>3</sup>	452,209	452,175
Philatelic items	8,266,276	8,265,391
Cartographic items	4,347,505	4,343,842
Music scores	1,607,885	1,604,779
Sound discs	1,473,087	1,452,997
Sound tape items	245,367	244,494
Digital Audio Files <sup>4</sup>	30,361	14,843
Videos	35,406	32,029
Prints and drawings	33,082	33,060
Photographs	297,932	294,220
Patent specifications	62,106,691	58,892,064
Reports in microform <sup>5</sup>	10,330,059	10,330,059
Theses <sup>6</sup>	196,529	171,627
<b>Total</b>	<b>104,547,608</b>	<b>101,040,588</b>

- The figure for monographs is based on the number of records in the relevant catalogues. This figure includes an estimate of items covered by card catalogues.
- The figure for serials titles is based on the number of records in the relevant catalogues. Changes of title are therefore counted as separate titles. This figure includes an estimate of items covered by card catalogues. A significant project has been undertaken to de-duplicate serial holdings. This rationalised database more accurately reflects the number of unique titles held.
- The archives of the India Office (1858-1947) and its predecessors, including the East India Company (1600-1858).
- Digital audio files are now used extensively and have largely taken over from sound tape items.
- Reports in microform are no longer produced as the microfilm service for UK Theses has been replaced by the Electronic Theses Online System (ETHOS). This stores and supplies digital download copies of theses that have been scanned in the digitisation suite at Boston Spa.
- Theses are now created, stored and supplied electronically on ETHOS.

## ITEMS RECEIVED ON LEGAL DEPOSIT

	2009/10	2008/09
Monographs <sup>1</sup>	129,245	141,755
Serial issues <sup>2</sup>	237,737	259,763
Maps and atlases	2,020	1,932
Music scores	1,765	2,041
Newspaper issues <sup>3</sup>	135,688	144,982
Playscripts	257	275
<b>Total</b>	<b>506,712</b>	<b>550,748</b>
Serial titles received	35,599	35,977
Claims for items not automatically deposited	225,900	252,168

- Work undertaken in 2008/09 resulted in a significant increase in Monographs received during the year. Some of this increase resulted from Monographs actually published in prior years that had not been deposited. The 2009/10 figure reflects more accurately the underlying annual rate of deposit.
- The number of items received on Legal Deposit in 2009/10 is lower than in the previous year as a result of work undertaken to remove duplication in the count of bibliographic holdings.
- The decrease in 2009/10 is due to a reduction in the number of printed newspaper titles available for deposit.

## STORAGE

Kilometres of shelving and percentage occupied	2009/10	2008/09
Working capacity: linear km <sup>1, 2</sup>	902	655
Extent of collection: linear km <sup>3</sup>	658.4	648.4
Percentage occupied <sup>4</sup>	73%	99%

- Working capacity represents the linear length of the solid stock, plus the associated growth spaces without which the collection could not be used and added to effectively.
- The 247 linear km increase in working capacity is explained by the inclusion this year of the Library's new high density storage building. Moves into this building are in progress with those from the three leasehold buildings and is scheduled to be completed by the end of 2010. At that point the leasehold buildings with a total working capacity of 110 linear kms will be surrendered with a consequent reduction in working capacity to 792 linear kms.
- This is an overall estimate using actual figures that are available, together with estimates for growth for some collections not yet available for 2009/10. The latter is largely explained by the ingest of empty containers and the large scale stock moves into the high density storage building. During this time it has not been possible to add newly processed items, and their associated growth where appropriate, to this location. The information will be captured once routine working of the high density storage building commences.
- Once allowance is made for the reduction of 110 linear kms following the surrender of the leasehold buildings percentage occupied rises to 83%.
- Fluctuations in figures are due to the normal variations which occur annually when treating a wide range of non-standard items with variable resources and priorities.
- This figure is the approximate number of volumes equivalent to the frames shown under the heading 'preservation microfilming'.
- One frame equates to one camera exposure. These generally represent either a single or double page of a monograph, newspaper or periodical. For most programmes, a negative, positive and duplicate are taken of each page. Consequently the number of frames shown does not represent the number of pages for which surrogate copies have been made.
- The decrease from the previous year is due to a reduction in expenditure on surrogacy programmes for 2009/10 together with an increase in costs.

## PRESERVATION

Preservation funding	2009/10	2008/09
	£000	£000
Grant in Aid	6,009	6,198
Donations/external funds	126	165
Sales income	262	278
<b>Total</b>	<b>6,397</b>	<b>6,641</b>
<b>Items preserved <sup>5</sup></b>	<b>2009/10</b>	<b>2008/09</b>
Conservation and/or rebinding	2,870	4,358
New binding	32,680	36,523
Minor repairs	3,036	3,403
Boxing/other work	12,846	9,126
Preservation microfilming <sup>6</sup>	12,614	15,691
<b>Total</b>	<b>64,046</b>	<b>69,101</b>
<b>Preservation microfilming <sup>7</sup></b>	<b>2009/10</b>	<b>2008/09</b>
Newspapers: frames of film	13,174,939	16,025,582
Books, periodicals, record volumes, manuscripts: frames of film	858,757	1,429,756
<b>Total <sup>8</sup></b>	<b>14,033,696</b>	<b>17,455,338</b>

- This is an overall estimate using actual figures that are available, together with estimates for growth for some collections not yet available for 2009/10. The latter is largely explained by the ingest of empty containers and the large scale stock moves into the high density storage building. During this time it has not been possible to add newly processed items, and their associated growth where appropriate, to this location. The information will be captured once routine working of the high density storage building commences.
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- The decrease from the previous year is due to a reduction in expenditure on surrogacy programmes for 2009/10 together with an increase in costs.

# Structure

DAME LYNNE BRINDLEY  
**Chief Executive**

**PATRICK FLEMING**  
**Operations and Services (South)**

**CAROLINE BRAZIER**  
**Operations and Services (North)**

**Document Delivery and Customer Services**

Service Delivery  
Service Support  
Systems Development  
Process Development  
Customer Services

**Collection, Acquisition and Description**

Collection Processing  
Collection Development  
Implementation  
Bibliographic Development

**Resource Discovery**

Catalogue Development  
Online access  
Electronic Resources

**Reader and Reference Services**

Reader and Visitor Services  
Imaging Services  
Reference Services  
Research Team  
Newspaper Services  
Service Improvement  
O&S Communications

**MARY CANAVAN**  
**Human Resources**

**Integrated Risk Management**

Risk Strategy  
Business Continuity  
Emergency Planning  
Health and Safety  
Security of the Library's collections, staff, visitors, buildings and systems

**Organisation Development (OD)**

OD Strategy  
Learning and Development  
Talent and Career Development  
Recruitment Strategy  
Employer Brand  
Staff engagement  
Wellbeing  
Corporate Social Responsibility

**Strategic Human Resources**

Policy Development  
Professional HR advice and support  
Diversity  
HR Management Information  
HR Operations  
Employee Relations  
Remuneration Strategy  
Non-pay benefits

**STEVE MORRIS**  
**Finance and Corporate Services**

**Financial Operations**

Financial Accounting and Processing  
Financial Systems and Projects  
Internal Audit and Compliance

**Management Accounting**

Central Management Accounts  
Directorate Finance Managers

**Strategy and Planning**

Business Planning  
Business Assurance and Review  
Corporate Information Management  
Corporate Strategy

**Corporate Procurement**

Tendering and Purchasing  
Contract Management  
Legal and Contract Services

**Estates**

Real Estate Services  
Construction Projects  
Facility Management  
and Customer Services  
Building Services

**Licensing and Copyright**

**Additional Storage Programme**

**FRANCES BRINDLE**  
**Strategic Marketing and Communications**

**Public and Regional Marketing**  
Public Marketing and Events  
Marketing Operations  
Exhibitions

**Business Marketing**

**Higher Education**

**Learning**  
Regional Library Programme

**Sales and Marketing**  
Publishing and Shop  
Document Supply Services

**Development**  
Fundraising  
Corporate Events

**Communications**  
Corporate Communications  
Internal Communications  
Press and Public Affairs

**Web Services**  
Internet  
Intranet

**Creative Services**  
Corporate Design  
Multimedia Production

**RICHARD BOULDERSTONE**  
**e-Strategy and Information Systems**

**Architecture and Development**  
Applications Development  
Architecture  
Service Support

**Digital Library Technology**  
Digital Preservation  
Datasets

**Technical Operations**  
Audio Visual Services  
Server and Network  
Infrastructure Strategy and Development  
IT Security  
Desktop Services

**Programmes**  
Digital Library Programme  
Web Archiving  
IT support for all major Library programmes

**STM (Science, Technology and Medicine)**  
Content and Collections  
Relationships Team  
Products and Services Development  
UK PubMed Central

**PHIL SPENCE**  
**Scholarship and Collections**

**Collection Care**  
Conservation  
Preservation  
Conservation Research and Training  
Storage and Security  
Digital Preservation

**European and American Collections**  
European Collections  
American Collections  
Eccles Centre for American Studies  
Maps  
Music  
Philatelic

**British Collections**  
British and Early Printed Collections  
Western Manuscripts  
Sound Archive  
Newspaper Collections  
Legal Deposit  
Web Archiving  
Moving Image Collections  
Loans Registry

**Social Science Collections and Research**  
Official Publications  
Politics and International Studies  
Management Studies and Economics  
Business and Intellectual Property  
Social Policy, Sociology, Culture, Media and Sport  
Socio-linguistics and Education  
Human Geography, Anthropology and Food Studies  
Law and Socio-legal Studies

**Asia, Pacific and Africa Collections**  
India Office Records  
East Asian Records  
South and South-East Asian Collections  
Near and Middle East Collections  
Western Language Collections  
Visual Materials  
International Dunhuang Project  
Endangered Archives Project

## Executive team



**PATRICK FLEMING**  
**CAROLINE BRAZIER**

**Associate Directors, Operations and Services (South and North)**

This has been another strong year for the delivery of services across the Library. While Reading Rooms are busier than ever, we continue to improve service levels and customer satisfaction levels remain high at 94%. We have introduced the very popular 'My Reading Room requests' to allow Readers to track their requests; and online Reader Registration, to speed up new Readers' access to the collections.

We have also broadened access to the collections through improvements to 'Search Our Catalogue' service including more integrated searching for archival and manuscript collections. Our Reference Services teams have launched a new series of information drop-in sessions for Readers, achieving a satisfaction rate of 99%.

As Document Supply continues to adapt to changes in the information world, customer satisfaction has increased to 89%. We have successfully completed the first phase of a new system to modernise the way we manage and supply customer orders. Customer Services have completed a modernisation project which has reduced the average time to answer a call to 12 seconds.

We acquired and processed 914,293 new items for the collections.

We continue with our strong commitment to an ambitious programme of Continuous Improvement projects, with over 170 projects underway this year, leading to improvements in efficiency, productivity and customer satisfaction. Our project to reduce the number of Reader requests which cannot be satisfied was judged best project at the Library's annual Continuous Improvement Convention.

**MARY CANAVAN**  
**Director, Human Resources**

Human Resources continued to implement the Library's People Strategy which ensures the Library attracts and develops the people we need to deliver services to our users.

We launched an innovative and highly-commended careers website which emphasises the diversity of our people and of jobs at the Library as well as the increasing significance of digital technology to our services and our staff. Further afield, we were pleased to offer and secure funding for five fixed-term posts as part of the government's Future Job Fund to support unemployed people between the ages of 18–24.

Within the Library, we agreed a new industrial relations framework with our Trades Unions which will enable the management of good industrial relations. Supporting diversity, we completed our three-year Disability Equality Plan, increased from 3% to 5.6% the number of staff who declare a disability, and were awarded a Platinum Award by the Employers Forum on Disability for our work.

This year the People Strategy also encompasses the safety and security of our collections, users and staff. Human Resources assumed the management of the Library's Integrated Risk Management (IRM) function which includes security, and health and safety. Major improvements to our security systems and the training of security officers ensured protection to an even higher standard. In what was a particularly challenging year, IRM's business continuity framework responded well to swine flu, severe adverse weather and national industrial action.

**STEVE MORRIS**  
**Director, Finance and Corporate Services**

In a year when so much attention has been focused on the impact of the economic recession and pressures on public finances, it would be all too easy for a 'resources' Directorate to fall into simply seeing its role as planning and preparing for a period of retrenchment. However, in practice we have responded to the need to maintain the Library's ambitious delivery and development programmes by re-doubling our efforts to ensure that we are able to get the maximum value out of all the resources available.

Re-tendering of existing services and the strengthening of rigorous value for money driven procurement across all areas of spending, the implementation of a formal value for money strategy and the prioritisation of spending have all contributed to making it possible for the Library to continue to deliver against the background of current and future constraints.

In parallel, we have led the development of Library's 2020 Vision strategy, to ensure that the business planning and resource allocation decisions of today continue to address the future needs of its users in a rapidly evolving – and increasingly digital – world.

We have continued to invest heavily in ensuring that the Library's physical Estate remains fit for purpose. As well as advanced new storage facilities in Boston Spa, a high level review of the St Pancras site, including development opportunities to the north of the existing building, has set out an exciting vision of how the Library's presence and service capacity could be evolved over the next ten to fifty years.

## GOVERNANCE AND LEADERSHIP



**FRANCES BRINDLE**  
Director, Strategic Marketing  
and Communications

Making our collections available for all to use and enjoy is a priority for our public and learning programmes and we have been delighted with the success of our major exhibitions this year, attracting more than 90,000 first-time visitors. It was also particularly satisfying to end the year with the acquisition of the 17th century Journal of naval pioneer Sir John Narbrough.

In the challenging financial climate, the report *Supporting Economic Growth 2007–2009* showed the important role played by the Business & IP Centre in supporting aspiring entrepreneurs and small businesses; more people than ever are now using the Centre and we have seen footfall almost double in the past year.

Our Learning Programme has been particularly successful, with the launch of the Timeline, and traffic to the Learning website was up by more than 400,000 visitors against target.

We have also cemented some key partnerships. The Library joined forces with the BBC in a Memorandum of Understanding to broaden public access to their archives. Internationally, an agreement with the Arts and Humanities Research Council will help us to build stronger bonds between Indian and UK-based research and Higher Education institutions. The Electronic Theses Online Service was another fruitful partnership, giving online access to 250,000 theses produced in UK universities.

Finally the Library remained at the forefront of the debate about how best to equip Britain for a digital future. We hosted the Digital Britain Summit, and positioned us as a leading voice for education and research



**RICHARD BOULDERSTONE**  
Director, e-Strategy and  
Information Systems

We have made a number of improvements to our core services for Readers this year. These include a complete refresh of our Automated Book Request System technology that was implemented over Easter 2009. The new system allows Readers to order items over the web at any time and to track orders from request to delivery into the Reading Rooms. This new system has been running for over a year and has proved to be far more reliable than our previous service. We have also provided an online registration portal that allows Readers to pre-register online and order items prior to their first visit to St Pancras. In addition we have also introduced the 'Search Our Catalogue' beta service that uses a product called PRIMO from our library systems vendor that provides a far more user friendly way of searching our catalogue data.

To support the identification and access to datasets that underpin research articles we have become founder members of the DataCite initiative. This international initiative supports researchers by providing methods to locate, identify, and cite data with confidence. A pilot project has been started with the British Atmospheric Data Centre to persistently identify datasets in their collection.

We have initiated a number of activities internally to reduce the Library's consumption of electrical power for IT equipment ('Green IT'). These include turning off staff PC monitors (1,900) after a period of inactivity, using virtualisation technology to reduce the number of servers in our computer rooms and reducing the number of printers by greater use of networked devices.



**PHIL SPENCE**  
Director, Scholarship and Collections

The staff of Scholarship and Collections continue to deliver exceptionally high quality projects and innovations across a very diverse range of specialisms and activities. In 2009/10, the expertise of our curators and conservators made an enormous contribution to the success of the Library's two major exhibitions, *Henry VIII: Man and Monarch* and *Points of View: Capturing the 19th Century in Photographs*. This year has also seen the successful launch of a number of new services and resources, including the Preservation Advisory Centre, the UK Web Archive, the Management and Business Studies Portal, and the e-Manuscripts server, to name but a few.

During 2009/10 the Library had the opportunity to make some very significant acquisitions, enhancing in particular our collections of literary manuscripts and audio recordings. The acquisition of the archive of British writer, thinker and critic, John Berger, closely followed by the acquisition of the archive of experimental novelist, Eva Figes, has helped to further augment the Library's reputation as the world's pre-eminent collection of archival resources for the study and appreciation of English literature. The acquisition of over 800 digital recordings from the original shellac discs held in the Berliner Lautarchiv adds an exceptional research resource to the Library's Sound Archive. The recordings, made in exceptional circumstances in German prisoner of war camps during the Second World War, include the oldest known collection of English dialect sound recordings in existence.

## Corporate Governance: the British Library Board

### Operation and Membership

The British Library Act 1972 places the British Library under the control and management of the British Library Board, the duty of which is to manage the Library as a national centre for reference, study and bibliographical and other information services, in relation both to scientific and technological matters and to the humanities. The Act also requires the Board to make the Library's services available to the public in particular to institutions of education and learning, other libraries and industry.

The Chairman and members of the Board are all appointed by the Secretary of State for Culture, Media and Sport, with the exception of one member who is appointed by HM The Queen. One member of the Board is appointed after consultation with Scottish Ministers. All Ministerial appointments to the British Library Board are subject to the Code of Practice of the Commissioner for Public Appointments. Members are normally appointed for four-year terms, and appointments are restricted to two terms. Members conform to a Code of Practice for Members of the British Library Board derived from the Cabinet Office model Code. The Board Secretary ensures that new Board members receive appropriate induction training upon appointment. New members attend the National School of Government's Training for Board Members of Non-Departmental Public Bodies and also an induction programme covering all aspects of the Library's operations. Board members also receive regular updates on changes and developments in the Library and its operating environment.

There is a clear division of responsibility between the Chairman and the Chief Executive. The Chairman is responsible for the leadership of the Board, ensuring its effectiveness on all aspects of its role. He facilitates both the contribution of the Board members and also constructive relations between the Board and the Executive. He represents the Library to its external stakeholders at the highest levels. The Chief Executive has responsibility for the overall organisation, management, and staffing of the Library, for the formulation of strategy, and for the successful delivery of results. As Accounting Officer she is responsible for its procedures and controls in financial and other matters.

Members of the Board have corporate responsibility for ensuring that the British Library complies with any statutory or administrative requirements for the use of public funds and ensuring that high standards of corporate governance are observed at all times. The Board establishes the overall strategic direction of the organisation. It approves the Library's annual Corporate Business Plan and its Annual Budget. It also oversees the delivery of planned results by monitoring performance against agreed strategic objectives and targets.

The Board meets six times a year, and one of those meetings each year is substantially devoted to the development of strategy. Library Directors are normally present during Board meetings. Board members are provided with appropriate and timely information to enable them, to discharge their duties effectively. Board papers are distributed one week in advance of the relevant meeting to allow members fully to prepare for meetings.

The Board has delegated certain responsibilities to a number of committees. The standing committees of the Board are: the Board Audit Committee; the Remuneration Committee; the Construction Projects Committee; and the Board Investment Committee. The minutes of the meetings of the Board Audit Committee, the Construction Projects Committee, and the Board Investment Committee are made available to all the Members of the Board on a timely basis.

The terms of reference for the Board Committees are available on our website at [www.bl.uk/aboutus/foi/pubsch/subcs0901.pdf](http://www.bl.uk/aboutus/foi/pubsch/subcs0901.pdf)

A Register of Interests of Members of the Board is maintained and is reviewed twice-yearly by the Board Audit Committee. As part of the agenda for all Board and committee meetings, members are invited to declare any relevant interests or conflicts pertinent to the issues to be discussed in the meeting. On specific issues where there may be a potential conflict of interest, Members are required to declare their interest and withdraw from the meeting.

The register is on our website at [www.bl.uk/aboutus/governance/blboard/blregint.pdf](http://www.bl.uk/aboutus/governance/blboard/blregint.pdf)

### Membership 1 April 2009 – 31 March 2010

#### CHAIRMAN

**Sir Colin Lucas Kt D.Phil FRHistS.**

[Sir Colin's term of appointment expires on 31 August 2010]

#### MEMBERS

**Sheila Forbes CBE** (Deputy Chair, Principal, St Hilda's College, Oxford) contributes to the work of the Board on the basis of her experience in the area of human resources and the management of culture change. She chairs the Remuneration Committee. [Ms Forbes' second four-year term of appointment expires on 19 January 2011]

**Dame Lynne Brindley DBE MA FLA FCLIP FRSA** (Chief Executive, The British Library)

**Dawn Airey** (Chair and CEO of Channel Five) brings to the Board her leadership experience in a major commercial company. [Ms Airey's first four-year term of appointment expires on 31 March 2011]

**Robin S Broadhurst CVO CBE FRICS** (Chairman of Grainger plc and Sableknight Ltd, and formerly European Chairman of Jones Lang LaSalle) brings to the Board his high level of expertise in the area of property development and estates management. [Mr Broadhurst's second four-year term of appointment expires on 31 December 2011]

**Professor Sir Robert G Burgess PhD AcSS** (Vice Chancellor, University of Leicester) was appointed to the British Library Board for his knowledge and experience of higher education and university affairs and for his academic background in the social sciences. [Professor Burgess' second four-year term of appointment expires on 19 December 2010]

**Sir Kenneth Calman KCB DL MD FRCP FRCS FRSE** (Chancellor, University of Glasgow) was appointed to the Board on the basis of his top level experience of leadership and management in a university research environment and as a research scientist. He chairs the Board Audit Committee. [Sir Kenneth's first four-year term expires on 31 March 2011]

**The Rt Hon Lord Fellowes GCB GCVO QSO PC** (Chairman, Barclays Private Bank) was appointed to the Board by HM The Queen. [Lord Fellowes' first four-year term expires on 29 September 2011]

**Professor Dame Wendy Hall DBE, FRS, FREng** (Professor of Computer Science, University of Southampton) was appointed for her leadership experience and business acumen in the IT/internet content sector. [Professor Hall's first four-year term expires on 31 March 2011]

**Eileen Mackay CB FRSE** (formerly Principal Finance Officer at the Scottish Office and she has held non-executive Directorships at the Royal Bank of Scotland Group plc, Edinburgh Investment Trust plc, and Scottish Financial Enterprise). She brings to the Board her financial and public administration experience. She was appointed after consultation with Scottish ministers. She chairs the Construction Projects Committee. [Ms Mackay's second four-year term of appointment expires on 16 July 2011]

**Professor Kate McLuskie MA PhD** (Director of The Shakespeare Institute, University of Birmingham) was appointed to the British Library Board for her knowledge and experience of higher education and university affairs and her academic background in the arts and humanities. [Professor McLuskie's first four-year term expires on 31 March 2011]

**Maggie Semple OBE** (Chief Executive Officer and Director of The Experience Corps Ltd) brings to the Board her experience as an entrepreneur, and is able to advise the Board on the needs of the Small and Medium-sized Enterprise sector. [Ms Semple's first four-year term expires on 31 March 2011]

#### SECRETARY TO THE BOARD

**Andrew Stephens BSc (Hons) MCLIP** Board Secretary and Head of International Engagement

#### THE BOARD AUDIT COMMITTEE

The Board Audit Committee comprises at least three non-executive members of the Board, one of whom acts as Chair of the Committee. Membership during 2009/10 was:

Sir Kenneth Calman (Chair)  
Eileen Mackay  
Lord Fellowes  
Member with relevant professional experience: Berenice Smith (formerly Finance and Commercial Director, University of Leeds)

The Board Audit Committee has written terms of reference that are available on our website and it meets at least three times a year to review the internal audit plan, progress against that plan, and the summary findings of the internal and external auditors. During 2009/10, the Board Audit Committee met four times to discharge its responsibilities. The Committee's purview extends to all the operations within the British Library, including the preparation of the Library's financial accounts and its systems of internal control and risk assessment and management. The Chief Executive and the Director of Finance and Corporate Services attend the meetings together with, when appropriate, other executive directors and further executives of the Library. The Board Audit Committee also meets the Internal Auditors and the External Auditors without members of the Executive present.

#### REMUNERATION COMMITTEE

The Remuneration Committee comprises at least three non-executive members of the Board, one of whom acts as Chair of the Committee. Membership during 2009/10 was:

Sheila Forbes (Chair)  
Dawn Airey  
Professor Bob Burgess  
Sir Colin Lucas

The Remuneration Committee has as its main task consideration annually of the performance of the Chief Executive, the Executive Team and certain other senior staff and determination of their remuneration levels. The Remuneration Committee has written terms of reference that are available on our website. Further details of the work of the Committee are given in the Remuneration Report on pages 47 to 48.

#### CONSTRUCTION PROJECTS COMMITTEE

At its meeting in May 2005 the Board agreed to establish a limited-life Construction Projects Committee. The Committee has written terms of reference that are available on our website. The Committee comprises at least two non-executive members of the Board, one of whom acts as Chair of the Committee, and the Chief Executive. Membership during 2009/10 was:

Eileen Mackay (Chair)  
Dame Lynne Brindley  
Robin Broadhurst  
Professor Kate McLuskie  
Member with relevant professional experience: Paul Goffin, Director of Estates, University of Leicester

The role of the Capital Projects Committee is to assist the Board to satisfy itself as to the adequacy and effectiveness of the arrangements for project management of the Library's current multi-million pound capital construction projects, the Additional Storage Programme and the Newspaper Programme. During 2009/10, the Committee met five times to discharge its responsibilities.

#### INVESTMENT COMMITTEE

At its meeting in July 2006, the Board agreed to establish an Investment Committee. The Committee has written terms of reference that are available on our website. The Committee comprises at least three members of the Board, one of whom acts as Chairman of the Committee. The Committee is able to co-opt one external member with particular experience and expertise in finance and investment matters. The current members are:

Sir Colin Lucas (Chair)  
Robin Broadhurst  
Eileen Mackay  
Dame Lynne Brindley  
Member with relevant professional experience: Danny Truell (Chief Investment Officer, Wellcome Trust)

The role of the Committee is to recommend to the Board the appointment of Investment Managers and to keep their performance under review, and also to formulate and keep under review the investment policy and spending policy arrangements governing the Board's trust funds and to make recommendations to the Board. During 2009/10 the Committee met twice to discharge its responsibilities.

## Here we celebrate some of the projects and acquisitions that have been made possible by the generosity of our supporters.

The continuing generosity of the British Library's many supporters ensures that we are able to maintain our position as one of the world's greatest research libraries.

### Henry VIII: Man and Monarch

Thanks to the generosity of Mr Mark C Pigott OBE and PACCAR Inc, our summer exhibition, *Henry VIII: Man and Monarch*, celebrated the life and reign of this most colourful of English kings. Guest-curated by historian and broadcaster, Dr David Starkey, the exhibition drew on the Library's own rich collections, including the books that Henry himself chose, read and annotated. PACCAR's sponsorship enabled us to create an engaging and visually stunning exhibition which attracted great acclaim from critics and visitors alike.



### Greek Manuscripts Digitisation Project

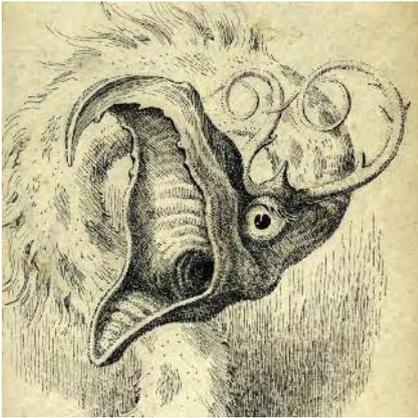
Thanks to a generous grant from the Stavros Niarchos Foundation, we have digitised 250 of our unique Greek manuscripts to make them fully accessible to researchers around the world through the internet at [www.bl.uk/catalogues/manuscripts/](http://www.bl.uk/catalogues/manuscripts/). The Greek manuscripts collection is arguably the largest and most important resource for the study of Hellenic culture and civilisation outside Greece, with texts ranging in date from the time of the creation of the Iliad and Odyssey through the Hellenistic, early Christian, Byzantine and Ottoman eras and beyond to the creation of the Greek nation state. Full catalogue records for each item have also been created to enable researchers to search using key words. A further grant from the Foundation made during the year will enable us to extend the project to digitise and add a further 250 manuscripts to the site, representing half of all our Greek manuscripts. We are continuing to fundraise to digitise the remaining half and our papyri collections.



### Naval Journal of Sir John Narbrough

We were delighted to be able to save the rare 17th century Naval Journal of Sir John Narbrough for the nation, thanks to the generosity of a number of donors, including the National Heritage Memorial Fund, the Estate of Dr Bernard H Breslauer via the American Trust for the British Library, the Gosling Foundation and many individual donors. Narbrough's Journal brings to life in vivid detail the trials and tribulations of one of England's most eminent explorers and provides the fullest known account of his voyage to South America from 1669–71. Beautifully illustrated in Narbrough's own hand, the Journal contains fascinating depictions of the peoples and animals of South America together with highly sophisticated descriptions of coastlines. Sir John Narbrough's Naval Journal is of major importance to the history of English mapmaking and its acquisition will contribute to a thorough evaluation of the history of English exploration.





## The Mervyn Peake Archive

Our other major acquisition for the year was the Mervyn Peake Archive, which we were able to purchase thanks to The Art Fund, Friends of the British Library, Friends of the National Libraries and individual donors. Mervyn Peake was one of the most creative artists of the 20th century. Although he is most famous for his *Gormenghast* novels, he was also a prolific artist, playwright and poet. This remarkable archive of drawings, letters and manuscripts gives a unique insight into his life and work. It comprises 39 autograph *Gormenghast* notebooks together with the complete set of original drawings for Lewis Carroll's *Alice Through the Looking Glass* and *Alice in Wonderland*, short stories, war poems, radio plays and nonsense verse.

## Conservation and Preservation

The Library continues to show leadership in the fields of conservation and preservation, with ongoing year-long book conservation internships, generously supported by the Headley Trust, Heritage Lottery Fund, the Radcliffe Trust, Peck Stacpoole Trust, the American Trust for the British Library and the Stockman Family Foundation, as well as sound archiving internships supported by the Haymills Charitable Trust and Heritage Lottery Fund. This year also saw the integration of the National Preservation Office into the Library's Collection

Care department and its relaunch as the Preservation Advisory Centre under the leadership of Caroline Peach. The Centre will continue its advisory, training and support services to the UK's libraries and archives in a range of preservation matters, whilst developing a new range of training and support services for the future. We are grateful to the J Paul Getty Jnr Trust, the Pilgrim Trust and Research Libraries UK for their support of the Preservation Advisory Centre.

## Oral History of British Science

The Arcadia Fund has enabled National Life Stories to launch a new oral history fieldwork project to create a major archive of contemporary science in Britain. This project will seek to collect unique personal testimonies of scientific discovery through 200 in-depth interviews with British scientists averaging 10–15 hours in length. These will be complemented by some shorter video recordings reflecting key events or locations, as well as at least one group 'witness seminar' for each of the project's four themed strands: The Factory of Life, Cosmologies, Made in Britain and A Changing Planet. The Arcadia Fund has funded two of these strands and we are grateful for the additional support of the Royal Commission for the Exhibition of 1851.



## Patrons

The British Library would like to thank its very loyal and thriving group of Patrons for their endorsement and generosity. Their much-appreciated gifts provide a vital source of funding for essential projects across the Library, enabling us to present inspiring exhibitions and open up our collections to new and diverse audiences. This year the level of support from Library Patrons reached new highs with membership increasing by more than 20%. Members also enjoyed a more ambitious, and very well-received, calendar of events. The expanded Programme included an external visit and, on a beautiful day in January, Patrons were granted special access to private collections at Eton College and Royal Windsor, interspersed with lunch and relaxed afternoon tea. Other notable highlights were a collaborative event with the Charleston Trust to celebrate the writings and archives of the Bloomsbury Group, as well as a wonderfully engaging talk on botanical history by speaker, Andrea Wulf.

**Above**, Centre for Conservation by Roland Kemp.  
**Above left**, Mervyn Peake, *Jabberwocky* by kind permission of the Mervyn Peake Estate.  
**Previous page left**, Canon in honour of Henry VIII (detail), c.1516.  
**Previous page, top right and below**, Naval Journals of Sir John Narbrough, 1669–71 and *A Draught of the Port of Baldania* (detail).

## The British Library would like to thank all those who have given their support, including:

The American Trust for the British Library  
The Andor Charitable Trust  
Apax Partners  
The Arcadia Fund  
The Art Fund  
The Nicholas Bacon Charitable Trust  
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The Friends of the British Library  
The Friends of the National Libraries  
J Paul Getty Jnr Charitable Trust  
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Henri Schiller  
Ms Louisa Service OBE  
David and Emma Verey  
Stephen and Chantry Westwell  
Mr and Mrs Michael Wilson  
Dr Bill Zachs  
and others who wish to remain anonymous.

### ADOPT A BOOK BENEFACTORS

Noor Abdlatif Al Hamad  
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Caritas Foundation of Western Kansas  
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The daughters of Robert Francis Ker  
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# Annual Accounts 2009/10

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Financial Review	44
Remuneration Report	47
Board and Accounting Officer's Responsibilities	49
Statement on Internal Control – 2009/10	50
The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament and the Scottish Parliament	53
Statement of Financial Activities	54
Balance Sheet	55
Cash Flow Statement	56
Notes to the Accounts	57

# Financial Review

## Constitution

The British Library was established under Section 1(1) of the British Library Act 1972 (the Act) as the national library of the United Kingdom. Section 1(2) of the Act placed it under the control and management of the British Library Board, the duty of which is to manage the Library as a national centre for reference, study and bibliographical and other information services, in relation both to scientific and technological matters and to the humanities. The British Library is a Non Departmental Public Body (NDPB) sponsored by the Department for Culture, Media and Sport and has exempt charitable status. The British Library Board is not constituted as a Trustee Board; however the Statement of Recommended Practice (SORP) 2005 Accounting for Charities convention of referring to Trustees has been followed in the Accounts.

## Objectives

Under Sections 1(3) and 1(4) of the Act the Board is required to make the services of the British Library available to the public (in particular to institutions of education and learning, other libraries and industry). It may carry out and sponsor research, contribute to the expenses of library authorities or other persons providing library facilities, and make any part of its collections, or of its premises, available in connection with events of an educational, literary or cultural nature. Under Section 2, the Schedule to the Act empowers the Board to impose charges for any services provided or for the loan or use of any item from its collections subject to the approval of the Secretary of State for Culture, Olympics, Media and Sport.

## Board membership

Details of Board members who served between 1 April 2009 and 31 March 2010 are as published in the Annual Report.

## Accounting conventions

The basis on which the accounts have been prepared is stated on page 57 at note 1a.

## Financial results

The Accounts provide a Statement of the Financial Activities (SOFA) of the British Library during the year ended 31 March 2010. In accordance with Section 5(1) of the Act, as amended by Statutory Instrument 1986 No 600, the Secretary of State paid to the British Library such sums as were necessary to defray expenditure incurred with his approval, so far as that expenditure exceeded the receipts derived from the exercise of the Board's functions and applied in such manner as required by Section 5(2) of the Act.

The Accounts have been prepared in accordance with the Statement of Recommended Practice (SORP) 2005 *Accounting for Charities* and the HM Treasury *Financial Reporting Manual* (FREM). A Statement of Financial Activities for the year is set out on page 54. This shows all resources made available to the British Library Board and all expenditure incurred by it and reconciles all changes in its funds.

The British Library has established procedures to ensure the cost allocation and charging requirements set out in HM Treasury and Office of Public Sector Information Guidance are met.

The British Library's income for 2009/10 was £142.2m (£140.5m 2008/09), of which £109.5m (77%) was Grant in Aid (GIA) from the Department for Culture, Media and Sport. £97.4m of this was revenue Grant in Aid, with the balance of £12.1m for capital programmes.

Income from the provision of services from Unrestricted funds was down slightly from £21.0m in 2008/09 to £20.9m in 2009/10, and Restricted funds from £3.0m to £1.7m. Voluntary Income rose to £9.6m (£8.0m 2008/09) but investment income fell to £0.4m in continuing difficult market conditions particularly during the first half of the year. Document Supply income, the Library's principal source of commercial

revenue, performed strongly during the year but continued to be adversely affected by the downturn in the economy.

The Library further continued its efficiency agenda through a series of Value for Money reviews across the organisation as part of a rolling programme of initiatives, the first of which focused mainly on back office and operational functions. This, together with the continuing development of budgetary control measures and further expansion of the Continuous Improvement Programme, has resulted in more efficient processes and simplified procedures.

During the course of the year, the construction of the Library's advanced automated storage building at Boston Spa was completed, and the loading of material transferred from leasehold buildings in London has subsequently progressed well. During the final quarter, preparatory groundworks began for the construction of a similar facility specifically to hold the Library's newspaper collection in BS5454 archival conditions.

*Henry VIII: Man and Monarch* exhibition (April to September) was very popular in 2009 with 67,757 visitors spending on average almost twice as long in this exhibition as in previous ones. It was also the first charged exhibition for the Library – visitors were charged £9. The *Henry VIII* exhibition also toured the regions visiting areas including York, Carlisle and Lincoln.

The most visited temporary exhibition was *Points of View* which attracted 108,989 visitors while the permanent *Treasures of the British Library* display in the Sir John Ritblat Gallery had 253,220 visitors.

Overall visitors to the Library's exhibitions and events numbered 576,061, and Reading Room Occupancy was 516,974, up 3.2%.

Reading Room usage has continued to grow to 517,000, reflecting a 29% increase at Boston Spa, and 4% increase at St Pancras Reading Rooms. Total page hits on the British Library website levelled out at 75 million. Items viewed on the website approached 3.5m, some 57% ahead of target and heavily impacted by the launch of the *Codex Sinaiticus* website during the year. Online Gallery visitors totalled 1.3m.

Revenue expenditure on acquisitions for the collections was £17.7m (£18.1m 2008/09), and Capital expenditure £1.7m (£2.5m 2008/09).

There was a net decrease in the movement of funds after revaluation in the year of £39.9m, of which £42.7m was due to a decrease in the unrestricted funds and an increase of £2.8m on the restricted funds. The overall net decrease after revaluation was mainly due to a substantial increase in the Modified Historical Cost Adjustment (MHCA) as a result of reversing previous adjustments following the revaluation of St Pancras.

## Reserves

As part of the annual planning and budget setting process the Trustees review and approve the level of readily available reserves appropriate to the scale, complexity and risk profile of the Library.

Although GIA accounts for around 77% of the Library's income, which provides limited exposure to liquidity risk, the remainder of operational costs must be financed by self-generated income, which is volatile.

The overall objective of the Library's Reserves Policy is to provide continuing assurance that the solvency of the British Library will not be put at risk by short-term variations in income or expenditure levels and to create an appropriate level of resource capability to allow the Library to respond to unforeseen challenges or opportunities arising within a financial year. Levels of unrestricted funds, both current and forecast, will be kept under close scrutiny to ensure that they do not fall below the levels necessary to provide an adequate level of cover and are reported on as part of quarterly financial monitoring process. The Reserves Policy, and the financial provision to be made within it, is reviewed annually by the British Library Board within the context of the assessed financial and business planning environments and taking account of assessed levels of risk.

General Reserves at 31 March 2010 were £13.6m of which Designated Reserves accounted for £10.7m. It is anticipated that £3.9m of the Designated Reserves will be spent within 2 years subject to any limitations on Departmental Expenditure Levels DEL cover. Continuing pressure on budgets during the year had the effect of reducing Free Reserves from £3.3m in 2008/09 to £2.5m, some £1.1m less than originally planned. In 2010/11 the Library will aim to continue to hold a minimum of £2.5m in Free Reserves to provide contingency provision, by targeting efficiencies in income and expenditure budgets.

## Payment of creditors

It is the policy of the British Library Board to pay all creditors within 30 days of the invoice date unless there is a specific payment date agreed with the supplier. For the year ended 31 March 2010, 88% of invoices were paid within 30 days (89% 2008/09).

## Bankers, External Auditors, Solicitors and Investment Managers

The following organisations were the Library's principal suppliers of professional financial, legal and investment services during 2009/10:

**Lloyds TSB Bank plc**  
39 Threadneedle Street  
London  
EC2R 8AU

**Treasury Solicitor**  
1 Kemble Street  
London  
WC2B 4TS

**Comptroller and Auditor General**  
National Audit Office  
157-197 Buckingham Palace Road  
London  
SW1P 9SW

**Legal and General Investment Management Limited**  
One Coleman Street  
London  
EC2R 5AA

## Investments

Legal and General was appointed as the Trust Fund investment manager in November 2006. The Board Investment Committee (BIC) determines the overall investment return objectives and acceptable risk tolerances. The BIC targets an annual Value at Risk of the portfolio so as not to exceed 15% that is a loss which could be expected in one of every six years. The BIC recognises the risk of short-term volatility or longer term depression in values associated with investing in equities and certain other asset classes. To meet these objectives the BIC currently aims to achieve an absolute return from investments of RPI plus 3% on a rolling 5-year basis. The performance of the portfolio will be judged against this target.

In the 2008/09 Trustees' Report, the impact of the sub-prime mortgage crisis and the onset of the UK recession had reduced fund

values by 20%. There has been a significant recovery during 2009/10 with fund values up 35.7% against March 2009 levels and 3.9% ahead of 2007 values.

The Board Investment Committee (BIC) met during the year to give oversight to the Library's investment portfolios, to review the Investment Policy, and to consider mitigating actions to reduce the impact of the global financial crisis on its Trust Fund investments.

The financial risks relating to investments continue to be managed by:

- a broad asset allocation which minimises the exposure to adverse factors which may affect one or more classes of assets;
- a policy of hedging the currency exposure where the value of underlying assets in any one currency is material;
- maintaining a relatively high liquidity level;
- regularly monitoring investment performance.

Investments held as fixed assets are included at market value at the year-end. The Statement of Financial Activities (SOFA) includes any realised and unrealised investment gains and losses arising on revaluation and disposals throughout the year.

## Equality and diversity

The British Library Board is an equal opportunities employer and is committed to promoting diversity. The Library employs a Policy and Diversity Manager, an HR Diversity Business Partner, and a HR Advisor for Policy and Diversity areas.

The Library aims to have a diverse workforce, possessing a complex blend of knowledge and skills in managerial, technical, scholarly and specialist disciplines, where individual contributions are valued. The Library's policies for recruitment and selection, training, pay, performance management, career development and promotion are in line with its diversity policy and, in this regard, disabled employees are treated the same as all other staff with respect to their aptitudes and abilities. The Library also has a policy for Equality Impact Assessment and has published a Unified Equality Scheme for Gender, Race and Disability and is progressing action plans under this scheme. The Library is also working towards a Single Equality Scheme that will embrace all areas of diversity including Sexual Orientation, Age and Religion and Belief.

### Staff sickness data

The absence average for the British Library for the 12 month period ended 31 March 2010 is 6.38 days (6.26 days in 2008/09). This figure is calculated using the number of week days lost over headcount and is based on absence data for all active staff but excluding unpaid absence and maternity leave.

### Pensions

Staff of the British Library are entitled to join one of the Principal Civil Service Pension Schemes (or Nuvos scheme for those joining after 30 July 2007) or a partnership pension account (for those joining post 1 October 2002). Full details of pensions and contributions are given in note 6a.

### Environmental matters

The Library needs to provide stable and reliable collection storage while seeking to minimise the impact our buildings and operations have on the world's climate. Some of the measures introduced to help with this include monitoring of energy and utilities consumption pattern, using electricity produced from combined heat and power procured from environmentally responsible suppliers and introducing re-cycling initiatives across all sites.

### Data protection

Incidents, the disclosure of which would in itself create an acceptable risk of harm, may be excluded in accordance with the exemptions contained in the Freedom of Information Act 2000 or may be subject to the limitations of other UK information legislation.

### Communications with employees

The Library is committed to developing effective communications between all employees in order to keep them informed, motivated and able to support the Library's users. Main communications channels include a staff newsletter, team briefing system and employee Intranet. PC terminals are available in common areas for staff not based at desks to provide access to the Library's Intranet.

### Key objectives

Details of the Library's strategic priorities can be found in the Annual Report.

### Related party transactions

Details of related party transactions are disclosed on page 73 at note 22.

### Code on best practise on corporate governance

A Statement on Internal Control is included on pages 50 to 52 and the Library has achieved full compliance in this respect, as at March 2010.

So far as the Accounting Officer and Board are aware, there is no relevant audit information of which the British Library's auditors are unaware, and the Accounting Officer and Board have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the British Library's auditors are aware of that information.

**TABLE 1:**  
SUMMARY OF PROTECTED PERSONAL DATA RELATED INCIDENTS FORMALLY REPORTED TO THE INFORMATION COMMISSIONER'S OFFICE IN 2009/10

Date of incident (month)	–
Nature of incident	No incidents reported
Nature of data involved	–
Number of people potentially affected	–
Notification steps	–

#### Further action on information risk

The British Library will continue to monitor and assess its information risks in order to identify and address any weaknesses and ensure continuous improvement of its systems.

**TABLE 2:**  
SUMMARY OF OTHER PROTECTED PERSONAL DATA RELATED INCIDENTS IN 2009/10

Incidents deemed by the Data Controller not to fall within the criteria for report to the Information Commissioner's Office but recorded centrally within the Department are set out in the table below. Small, localised incidents are not recorded centrally and are not cited in these figures.

Category	Nature of incident	Total
i	Loss of inadequately protected electronic equipment, devices or paper documents from secured Government premises	N/A
ii	Loss of inadequately protected electronic equipment, devices or paper documents from outside secured Government premises	N/A
iii	Insecure disposal of inadequately protected electronic equipment, devices or paper documents	N/A
iv	Unauthorised disclosure	N/A
v	Other	N/A



SIR COLIN LUCAS  
CHAIRMAN  
22 JUNE 2010



DAME LYNNE BRINDLEY DBE  
ACCOUNTING OFFICER  
22 JUNE 2010

## REMUNERATION REPORT

The Remuneration policy for the Library's senior managers is set by the Board's Remuneration Committee. The current terms of reference for the Committee are as follows:

### Remuneration Policy

1. The Remuneration Committee is a main committee of the Board without executive powers, comprising three non-executive Board members and chaired by an independent non-executive Board member. The Committee reports to the Board.

2. Members of the Committee are appointed by the Board.

3. The Director of Human Resources acts as Secretary to the Committee.

4. At the request of the Chairman of the Committee, the Chief Executive and other Executives of the Library may be in attendance at meetings of the Committee, or for selected agenda items. No Executive of the Library will be in attendance or play any part in discussions and decisions about their own remuneration.

5. The Committee is able to obtain external professional advice and, if necessary, to invite external advisors to its meetings.

6. The Committee normally meets twice a year.

7. The quorum necessary for the transaction of business shall be two.

8. Minutes of Committee meetings will be circulated promptly to all members of the Committee and, once agreed, to all members of the Board.

9. The Committee fulfils the following responsibilities:

- (i) to keep under continuous review the terms and conditions of the Chief Executive;
- (ii) to undertake an annual review of the Chief Executive's salary and performance bonus and make recommendations to the Board;
- (iii) to consider the recommendations of the Chief Executive in relation to the annual review of the salary and performance bonuses of the Executive Team and similarly for any other equivalent paid senior staff;
- (iv) to represent the Board in relation to considerations relating to the terms and conditions of all other Library employees;

(v) to carry out any other review, and make any other recommendations, which in its opinion, or at the request of the Chief Executive, it believes to be relevant to the Board's statutory responsibilities in relation to the terms and conditions of the Library's employees.

10. The Committee will, at least once a year, review its own performance, constitution and terms of reference to ensure that it is operating at maximum effectiveness and recommend any changes it considers necessary to the Board for approval.

11. The current members of the Remuneration Committee are:

Sheila Forbes (Chair)  
Sir Colin Lucas  
Professor Robert Burgess  
Dawn Airey

In attendance:

Mary Canavan (Secretary), Director of Human Resources  
Dame Lynne Brindley, Chief Executive

In reaching its decisions, the Committee has regard to the following considerations:

- the need to recruit, retain and motivate suitably able and qualified people to exercise their different responsibilities;
- regional/local variations in labour markets and their effects on the recruitment and retention of staff;
- government policies for improving the public services including the requirement to meet the outputs and levels of performance that the Library is expected to deliver in order to achieve ministerial objectives;
- the funds available to the Library;
- the Government's inflation target.

The Remuneration Committee is informed in its decisions by external benchmarking and through the Library's performance management process. The Chief Executive and members of the Executive Team are eligible for contractual non-consolidated annual bonus payments; in the case of the Chief Executive this is up to 25% of basic salary with up to 3% available for consolidation for pension purposes. Members of the Executive Team are eligible for non-consolidated annual bonuses of up to 10% of basic salary and in addition are eligible for a share of an annual team bonus of £24,000 based on the achievement of four corporate key performance objectives.

In addition they are also eligible for a share of an additional discretionary sum of £6,000 if the Remuneration Committee considers that a high level of performance has been achieved.

The Remuneration Committee considers the achievement of objectives of the Executive Team in respect of the team bonus and of the Chief Executive. The Chief Executive considers the achievement of objectives of the Executive Team in respect of individual bonuses.

### Service contracts

Although members of Library staff are not civil servants, appointments are made in accordance with the Civil Service principle that requires appointments to be on merit and on the basis of fair and open competition.

Other than the two Associate Directors, the Library's senior managers covered by this report hold appointments which are open ended until they reach the normal retiring age, which since 1 October 2006 is age 65. However those in post prior to 1 October 2006 have a contractual right to retire at age 60, should they choose to do. The Chief Executive has a six month notice period; other senior managers have a three month notice period. All are members of the Principal Civil Service Pension Scheme and as such early termination of their contract would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme. Note: The two Associate Director Posts are temporary promotions for a period of two years with effect from 1 April 2009.

### Salary and pension entitlements (audited)

Salary includes: gross salary; performance pay or bonuses; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation.

Bonuses are based on performance levels attained and are made as part of the appraisal process. They relate to performance in the previous year, therefore, bonuses paid in 2009/10 are based on 2008/09 performance, and bonuses paid in 2008/09 are based on 2007/08 performance.

No benefits in kind were received by the Executive Team and Chairman.

THE PENSION ENTITLEMENTS OF AND THE SALARY PAID DURING THE YEAR TO THE CHAIRMAN AND EXECUTIVE TEAM

		Remuneration paid to 31 March £000	Real increase in pension at age 60 £000	Total accrued pension at age 60 as at 31 March £000	Cash Equivalent Transfer Value		
					CETV as at 1 April £000	CETV as at 31 March £000	CETV real increase £000
Sir Colin Lucas, Chairman	2009/10 2008/09	35 – 40 35 – 40					
Dame Lynne Brindley DBE, Chief Executive	2009/10 2008/09	175 – 180 Plus lump sum of 190 – 195 Plus lump sum of	2.5 – 5 5 – 7.5 0 – 2.5 (2.5 – 5)	70 – 75 155 – 160 65 – 70 150 – 155	1,468 1,350	1,648 1,468	100 21
Richard Boulderstone, Director	2009/10 2008/09	125 – 130 130 – 135	0 – 2.5 2.5 – 5	25 – 30 15 – 20	374 307	458 374	45 27
Mary Canavan, Director	2009/10 2008/09	115 – 125 120 – 125	0 – 2.5 0 – 2.5	50 – 55 50 – 55	803 729	905 803	54 18
Steve Morris, Director <sup>1</sup>	2009/10 2008/09	135 – 140 135 – 140	0 – 2.5 0 – 2.5	55 – 60 50 – 55	812 721	927 796	59 20
Philip Spence, Director	2009/10 2008/09	130 – 135 115 – 120	0 – 2.5 0 – 2.5	5 – 10 0 – 5	53 34	90 53	29 13
Ronald Milne, Director (to 11 September 2009)	2009/10 2008/09	50 – 55 110 – 115	0 – 2.5 0 – 2.5	40 – 45 35 – 40	621 570	677 621	– 6
Frances Brindle, Director (from 8 June 2009)	2009/10	100 – 105	0 – 2.5	0 – 5	0	23	19
Caroline Brazier, Associate Director (from 1 April 2009)	2009/10	85 – 90 Plus lump sum of	0 – 2.5 25 – 30	8	120	164	35
Patrick Fleming, Associate Director (from 1 April 2009)	2009/10	75 – 80	0 – 2.5	4	38	68	25

During the year Jill Finney, who served as a director until 20 February 2009, received a bonus payment of £10 – 15k which related to the 2008/09 performance  
<sup>1</sup> Steve Morris's opening and closing balance of CETV are different due to the re-calculation of transferred in service.

**Cash Equivalent Transfer Values**

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence

of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies. The figures include the value of any pension benefit in another scheme or arrangement which the individual has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their purchasing additional pension benefits at their own cost. CETVs are calculated within the guidelines and framework prescribed by the Institute and Faculty of Actuaries and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are drawn.

**Real increase in CETV**

This reflects the increase in CETV effectively funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.



SIR COLIN LUCAS  
 CHAIRMAN  
 22 JUNE 2010



DAME LYNNE BRINDLEY DBE  
 ACCOUNTING OFFICER  
 22 JUNE 2010

## BOARD AND ACCOUNTING OFFICER'S RESPONSIBILITIES

The British Library's Management Statement and Financial Memorandum with DCMS sets out the roles and responsibilities of the Board, the Chair and the Accounting Officer. It includes the following points:

- Board members have a corporate responsibility to the Secretary of State for ensuring that the Library fulfils the aims and objectives set out in legislation and complies with any statutory or administrative requirements for the use of public funds.
- The Chair is responsible to the Secretary of State, on behalf of the Board, for ensuring that where appropriate the Library's policies are consistent with those of the Secretary of State, and that the Library's affairs are conducted with probity. (S)he will ensure that all members of the Board, when taking up office, are fully briefed on the terms of their appointment and on their other duties, rights and responsibilities. (S)he is responsible for advising the Secretary of State of the needs of the Library with a view to ensuring a proper balance of professional and financial expertise.
- The Accounting Officer is personally responsible for safeguarding the public funds for which (s)he has charge, for propriety and regularity in the handling of those public funds and for the day-to-day operations and management of the Library. (S)he should act in accordance with the terms of the Management Statement and Financial Memorandum and with the instructions and guidance in *Managing Public Money* and other instructions and guidance issued from time to time by the Department, the Treasury and the Cabinet Office – in particular, the Treasury documents *The Responsibilities of an NDPB Accounting Officer* and *Regularity and Propriety*.



SIR COLIN LUCAS  
CHAIRMAN  
22 JUNE 2010



DAME LYNNE BRINDLEY DBE  
ACCOUNTING OFFICER  
22 JUNE 2010

# STATEMENT ON INTERNAL CONTROL – 2009/10

## 1. Scope of responsibility

In line with the responsibilities as set out above, the Chair, on behalf of the Board, is responsible for ensuring that appropriate arrangements exist to implement and maintain the Library's internal control framework. The Accounting Officer is responsible for making sure that a sound system of internal control exists and is maintained and that the public funds and assets for which she is personally responsible are safeguarded in accordance with the responsibilities assigned to her in *Managing Public Money*; and ensuring compliance with the requirements of the British Library's Management Statement and Financial Memorandum.

## 2. The purpose of the system of internal control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable, and not absolute, assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of British Library policies, aims and objectives, to evaluate the likelihood of those risks being realised and the impact should they be realised, and to manage them efficiently, effectively and economically. The system of internal control has been in place in the British Library for the year ended 31 March 2010 and up to the date of approval of the Annual Report and Accounts, and accords with HM Treasury guidance.

## 3. Capacity to handle risk

The Library is regardful of its responsibility for the stewardship of its unique collections. As part of our commitment to transparent reporting, we have set out below some of the key actions taken to manage the risks faced in that context.

Activities undertaken this year include:

- Internal audit reviews to confirm robust controls

2009/10 was the third of a three-year strategic internal audit plan. Eighteen assurance reviews took place during the year of which 11 received 'substantial' assurance ratings, seven received

'adequate' assurance ratings. There were no 'limited' assurance ratings.

For the 12 months ended 31 March 2010, based on the work undertaken, Internal Audit provided a positive opinion regarding the adequacy and effectiveness of the British Library's arrangements for governance, risk management and control. The Internal Audit Assurance Statement is based on a red, amber and green traffic light rating. A 'green' rating was awarded to each of the three categories for 2009/10.

- Progress on Collection Security Steering Group

The Collection Security Steering Group (CSSG), chaired by the Associate Director, London and reporting to the Executive Team, exercises cross-Directorate oversight over the Library's corporate collection security policy and collection security strategy, reviews the implementation of the Collection Security Integrated Work Plan, and reviews the effectiveness of the Library's collection security control processes. The Board Audit Committee receives an annual stewardship report from the Chair of CSSG.

The Collection Security Operational Group (CSOG) is an advisory body which investigates, proposes and monitors the implementation of policy to protect the collection against loss.

Collection security within the Library continues through a period of transition in order to increase its effectiveness. Collection security is part of the overall Risk Management Programme. As part of this transition process a new governance and management structure for collection security was agreed by the Executive Team at its meeting on 3 February 2009 and was subsequently launched in April 2009 to drive forward the cultural change needed to improve collection security outcomes.

Whilst CSSG and CSOG remain the strategy body and the body that manages the risks to the collection respectively, the membership of both groups has seen some changes to reflect the new governance and management structure. Five 'process owners' who have responsibility for key collection security processes have joined CSOG. The process owners, taking a holistic approach, are documenting and monitoring their process for efficiency and effectiveness. This includes identifying

gaps and / or weaknesses, and recommending cost effective action to mitigate the weakness.

Motivating staff to embrace new behaviours that are required for collection security is a key aspect of the change being delivered. Leadership from senior and middle managers, together with effective communication cascaded to all staff, are the main mechanisms for achieving this change.

All new Library programmes are required to consider the implications of security of the collection as a primary factor at an early stage.

As part of the restructuring of Integrated Risk Management, where responsibility for collection security now resides, two new collection risk posts have been created and appointments made. Both posts report to the Collection Risk Co-ordinator and will take a lead in ensuring staff who work with the collections receive the appropriate training.

During the year an e-learning package covering collection security issues was launched via the British Library Intranet for those staff who do not work directly with the collections.

- Business Continuity Planning

Throughout the past year, Business Continuity has continued to embed processes into the culture of the Library while responding to incidents as required.

The Library responded to the swine flu pandemic by forming a cross-directorate team following the initial outbreak in Mexico. The team met weekly during the peak months to plan and ensure preparedness for significant staff outages and suppliers' service reductions.

The adverse weather across the whole of the UK in January saw the Major Incident team meet twice daily to ensure services continued to run wherever possible.

Business Continuity also responded to the industrial action taken by some staff to ensure that the Library continued to offer a service to users.

An audit of Business Continuity Planning was undertaken as part of the approved internal audit periodic plan for 2009/10. The audit was conducted to review the approach the Library has taken to ensure that it can continue to operate following a

major incident. The review concluded that the Library can take substantial assurance that the controls upon which the organisation relies to manage this area, as currently laid down and operated, are effective.

- Developing counter fraud strategy, policy and control

Internal Audit conducted a review to evaluate the adequacy of controls in the area of Fraud Management. This included an examination of the policies in place to ensure compliance against the Fraud Act 2006 and incorporated the Fraud Policy, Fraud Response Plan and the Whistle blowing policy. All recommendations have been accepted and a programme for implementation has been established.

- Providing assurance across major programmes and projects

The Library's programmes and projects continue to be robustly managed in line with Office of Government Commerce (OGC) principles and with the continuous support of the Business Assurance and Review team in embedding proactive knowledge sharing and benefits management. Performance management processes have been enhanced during 2009/10 with the introduction of the Portfolio Dashboard which provides a strategic view of how successfully the key programmes and projects, and their benefits and risks, are being managed.

- Intellectual Property Compliance

Following on from completion of an audit of the Library's approach to the management of Intellectual Property issues, a new corporate group has been established to ensure that the Library strengthens compliance and consistency in this area.

- Procurement

Contracts and Licensing has been strengthened by the appointment of a new Contracts Advisor in the Legal Contracts Services team. With regard to the new EU Procurement Remedies directive a compliance/awareness raising programme across all directorates was completed during the year.

- Efficiency and Value for Money (VfM)

Business Planning and Budgetary Control and Monitoring Procedures were subject to Internal Audit reviews during the year and both received substantial assurance. The Library also embarked on a rolling

programme of VfM action planning covering all areas of the organisation with particular focus on back office operations.

- Strategic Development – 2020 Vision

Given the dynamic market in which the Library now operates, with technology applications and consumer behaviours changing more rapidly than ever before, the Library needs to continue to look ahead to give a steer towards today's resource decisions. With this in mind a major programme of strategy development is currently under way to articulate the Library's operating environment in 2020, and to develop a 2020 vision for the British Library to ensure that its contribution to research and scholarly enterprise remains vibrant, innovative and relevant for new generations.

- Annual stewardship reports

The Board Audit Committee received annual stewardship reports on Health and Safety, Security, Freedom of Information, Data Protection, and Pension Scheme activity as well as a formal report on the stewardship of the Library's collections.

#### 4. The risk and control framework

The Library's risk management policy was endorsed by the Board in May 2008 and seeks to meet the requirements in paragraph 2 and to embed the identification and management of risk within its strategic and operational plans. The approach adopted meets the requirements of the HM Treasury guidance on *Management of Risk – A Strategic Overview* ('The Orange Book') and is enhanced with best practice from other organisations as opportunities arise. Our aim is to ensure that risk management is not viewed as separate from competent and prudent management but is an endemic part of every management decision, whether big or small.

Risks are assessed against estimation criteria approved by the Board and reviewed on a regular basis. These criteria cover the potential impact of the risk and the likelihood of its occurrence. The identified risk is considered for its effect on the achievement of strategic, operational, financial or reputational objectives and whether it is external or internal. Risks are managed in accordance with an agreed approach decided for each risk ranging from terminating the risk, through possible reduction measures, acceptance and on-going monitoring.

The Library's major areas of risk identified by this process are its funding streams, and in particular the uncertainty of its future funding streams in the difficult economic situation and how this may impact on the Library's world-leading position, and also its adaptability to changing market conditions and its management of the impacts of legislation.

Each level of the Library has a responsibility for risk awareness and management. Risk reviews are carried out on a regular basis by the assigned manager responsible.

In conjunction with Internal Audit, further progress has been made in improving the identification, reporting and management of risk. Workshops and presentations have taken place and specialist risk management software procured to improve the quality, effectiveness and availability of information to users across the Library.

Risks are reviewed:

- Annually by the Board;
- Half yearly by the Executive Team in the context of the Business Plan;
- By the Board Audit Committee at each of its meetings;
- By the Executive Team on an exception basis;
- By Directorate Management teams for their own subset of risks.

At the end of the financial year, each Director completes a declaration that they have reviewed and are managing all identified risks within their directorate.

#### Managing information risk

Following major breaches of sensitive information in the public sector, the Cabinet Office conducted a review and published the report 'Data handling Procedures in Government' in 2008. In response, the Department for Culture, Media and Sport asked their sponsored bodies to align with relevant recommendations in the report. The Library developed an action plan based on the recommendations in the report. One recommendation was that all departments, including NDPBs, should have in place a Senior Information Risk Owner (SIRO), and the Director of Finance and Corporate Services was appointed Senior Information Risk Owner for the British Library.

In June 2009, the Library created a Corporate Information Governance Group (CIGG) whose purpose is to raise the profile of and co-ordinate the Library's work on information governance. The Group is chaired by the SIRO and reports to the Executive Team (ET) quarterly and to the Board Audit Committee half yearly.

## STATEMENT ON INTERNAL CONTROL – 2009/10

Specific achievements during 2009/10 include the development of:

- Phase 1 of an Information Asset Register which captures the details of our information assets;
- A robust software platform for the Information Asset Register;
- A high level information risk policy to define how the Library will discharge any information risk management or security related obligations and how the effectiveness will be assessed;
- An information breach management process which sets out the actions and procedures to be taken to report an incident involving the loss of or damage to business information or an asset used to process business information;
- Guidance and practical tools to assist contract managers when working on third party handling of personal information.

### 5. Review of effectiveness

In line with the responsibilities set out above, the Accounting Officer is advised on the implications of the result of the reviews of the effectiveness of the system of internal control by the Board and the Board Audit Committee, and plans to address weaknesses and ensure continuous improvement systems are put in place as necessary.

Additional assurance is gained from:

#### Internal Audit

An annual internal audit programme is drawn from the three-year programme which has been developed based on the risk register.

#### External Audit

Our review of the effectiveness of the system of internal control is also informed by comments and recommendations made by the National Audit Office in their annual management letter and other reports.

#### Board

The Board is responsible for confirming that the risk management approach will aid the achievement of policy aims and for advice and guidance on proposals.

#### Board Audit Committee (BAC)

The Board Audit Committee advises the Board on:

- the strategic processes for risk, control and governance;
- the accounting policies and the accounts of the organisation;
- the planned activity and results of both internal and external audit; and
- the adequacy of management response to issues identified by audit activity.

The members of BAC are:

Sir Kenneth Calman (Chair)  
E Mackay CB  
Lord Fellowes  
B Smith (External member with relevant professional expertise)

The Chief Executive, the Director of Finance and Corporate Services, and the Compliance Officer are in attendance at BAC meetings, and representatives of the Library's internal and external auditors are also in attendance. The Board Secretary is Secretary to the BAC.

BAC approves the three-year Strategic Internal Audit Plan and Annual Operational Internal Audit Plans. It receives reports on the reviews completed and monitors progress made in completing the annual internal audit plan and also advises the Board on the appointment of the institution's internal auditors. It also reviews, and advises the Board on, the Library's statutory accounts prior to their formal sign off by the Chief Executive and the Board Chairman.

#### Construction Projects Committee (CPC)

The Construction Projects Committee, a sub-committee of the Board, assists the Board to satisfy itself as to the adequacy and effectiveness of the arrangements for project management of the Library's multi-£m capital construction projects, currently the Additional Storage Programme (ASP) and the Newspaper Programme. The Committee meets four times a year and reports regularly to the Board.

The current members of CPC:

E Mackay CB (Chair)  
R Broadhurst CVO CBE  
Dame Lynne Brindley DBE  
Professor K McLuskie  
P Goffin (External member with relevant professional expertise)

#### Board Investment Committee (BIC)

The Board Investment Committee, a sub-committee of the Board chaired by Sir Colin Lucas, assists the Board of the British Library to satisfy itself as to the adequacy and effectiveness of the Library's investments. The Committee recommends to the Board the appointment of Investment Managers, receives investment reports and reviews performance, and formulates and keeps under review investment policy and strategy taking due account of associated areas of risk. The Committee met twice during the year.

The current members of BIC:

Sir Colin Lucas (Chairman)  
E Mackay CB  
R Broadhurst CVO CBE  
Dame Lynne Brindley DBE  
D Truell (External member with relevant professional expertise)

#### Executive Team

The Executive Team is responsible for operational management and for risk review in their own areas of responsibility and for championing the required culture change. Each Director is required to support the Accounting Officer by submitting a Self Certificate confirming that the Library's systems of internal control have been applied through the year in the areas under their control.

#### Managers

Managers at all levels are responsible for ensuring that controls are applied and that risks to their activities are identified, recorded, assessed and managed on an agreed basis. They flag these risks and any issues through their appropriate Directorate Finance Manager. There were no significant control failures during the year.



SIR COLIN LUCAS  
CHAIRMAN  
22 JUNE 2010



DAME LYNNE BRINDLEY DBE  
ACCOUNTING OFFICER  
22 JUNE 2010

# The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament and the Scottish Parliament

I certify that I have audited the financial statements of the British Library for the year ended 31 March 2010 under the British Library Act 1972. These comprise the Statement of Financial Activities, the Balance Sheet, the Cash Flow Statement and the related notes. These financial statements have been prepared under the accounting policies set out within them. I have also audited the information in the Remuneration Report that is described in that report as having been audited.

## Respective responsibilities of the Board, Chief Executive and auditor

The Board and Chief Executive, as Accounting Officer, are responsible for preparing the Annual Report, which includes the Remuneration Report and the financial statements in accordance with the British Library Act 1972 and Secretary of State directions made thereunder and for ensuring the regularity of financial transactions funded by Parliamentary grant (Grant in Aid). These responsibilities are set out in the Statement of Board and Accounting Officer's Responsibilities.

My responsibility is to audit the financial statements and the part of the remuneration report to be audited in accordance with relevant legal and regulatory requirements, and with International Standards on Auditing (UK and Ireland).

I report to you my opinion as to whether the financial statements give a true and fair view and whether the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with the British Library Act 1972 and Secretary of State directions made thereunder. I report to you whether, in my opinion, the information, which comprises the Financial Review, included in the Annual Report, is consistent with the financial statements. I also report whether in all material respects the incoming and outgoing resources funded by Parliament have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

In addition, I report to you if the British Library has not kept proper accounting records, if I have not received all the information and explanations I require for my audit, or if information specified by relevant authorities regarding remuneration and other transactions is not disclosed. I review whether the Statement on Internal

Control reflects the British Library's compliance with HM Treasury's guidance, and I report if it does not. I am not required to consider whether this statement covers all risks and controls, or form an opinion on the effectiveness of the British Library's corporate governance procedures or its risk and control procedures.

I read the other information contained in the Annual Report and consider whether it is consistent with the audited financial statements. This information comprises all sections of the Annual Report, except for the Financial Review, and the unaudited parts of the Remuneration Report. I consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the financial statements. My responsibilities do not extend to any other information.

## Basis of audit opinions

I conducted my audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. My audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of financial transactions included in the financial statements and the part of the Remuneration Report to be audited. It also includes an assessment of the significant estimates and judgments made by the Board and Accounting Officer in the preparation of the financial statements, and of whether the accounting policies are most appropriate to the British Library's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations which I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements and the part of the Remuneration Report to be audited are free from material misstatement, whether caused by fraud or error, and that in all material respects the incoming and outgoing resources funded by Parliament have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements and the part of the Remuneration Report to be audited.

## Opinions

In my opinion:

- the financial statements give a true and fair view, in accordance with the British Library Act 1972 and directions made thereunder by the Secretary of State, of the state of the British Library's affairs as at 31 March 2010 and of its incoming resources and application of resources for the year then ended;
- the financial statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with the British Library Act 1972 and Secretary of State directions made thereunder; and
- information, which comprises the Financial Review, included within the Annual Report, is consistent with the financial statements.

## Opinion on Regularity

In my opinion, in all material respects, incoming and outgoing resources funded by Parliament have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

## Report

I have no observations to make on these financial statements.

AMYAS C E MORSE  
COMPTROLLER AND  
AUDITOR GENERAL  
12 July 2010

National Audit Office  
157 – 197 Buckingham Palace Road  
Victoria, London SW1P 9SW

THE BRITISH LIBRARY BOARD  
Statement of financial activities

FOR THE YEAR ENDED 31 MARCH 2010

	Notes	Unrestricted funds	Restricted funds	Total 2009/10	Total 2008/09 Re-stated
		£000	£000	£000	£000
<b>Incoming resources</b>					
Incoming resources from generated funds					
Voluntary income	2	1,695	7,921	9,616	7,993
Investment income	4	54	364	418	1,492
Incoming resources from charitable activities					
Provision of services	3	20,951	1,723	22,674	24,030
Other incoming resources					
Grant in Aid	5	109,464	–	109,464	106,947
<b>Total incoming resources</b>		<b>132,164</b>	<b>10,008</b>	<b>142,172</b>	<b>140,462</b>
<b>Resources expended</b>					
Costs of generating funds					
Costs of generating voluntary income		411	–	411	775
Investment management costs		–	15	15	13
Charitable activities					
Capture extensively and store UK digital publications		3,447	933	4,380	4,630
Connect our users with content		91,765	2,612	94,377	98,941
Transform access and preservation for newspapers		4,165	–	4,165	1,864
Support UK research with innovative services and integrated processes		1,712	2,389	4,101	3,086
Build our digital infrastructure		3,740	86	3,826	4,079
Integrate storage and preservation of physical collections		23,071	1,568	24,639	23,054
Develop as an organisation		5,688	484	6,172	6,527
Governance costs		665	13	678	477
<b>Total resources expended</b>	<b>6</b>	<b>134,664</b>	<b>8,100</b>	<b>142,764</b>	<b>143,446</b>
<b>Net increase/decrease in resources before notional costs and transfers</b>					
Notional cost of capital	7	(2,500)	1,908	(592)	(2,984)
Transfer between funds	17	(20,891)	–	(20,891)	(21,902)
		1,438	(1,438)	–	–
<b>Net (outgoing)/incoming resources after notional costs and transfers</b>					
Reversal of notional cost of capital		(21,953)	470	(21,483)	(24,886)
Net (outgoing)/incoming resources before recognised gains and losses	8	20,891	–	20,891	21,902
		(1,062)	470	(592)	(2,984)
<b>Other recognised gains/(losses)</b>					
Unrealised gain/(loss) from fixed asset investments	11	–	2,401	2,401	(2,249)
Revaluation of fixed assets	9	27,311	–	27,311	5,314
Current cost adjustment	9	(69,038)	–	(69,038)	(21,285)
<b>Net movement in funds after revaluation and gains/(losses)</b>		<b>(42,789)</b>	<b>2,871</b>	<b>(39,918)</b>	<b>(21,204)</b>
<b>Reconciliation of funds</b>					
Fund balances brought forward at 1 April		603,657	14,920	618,577	639,781
<b>Fund balances carried forward at 31 March</b>		<b>560,868</b>	<b>17,791</b>	<b>578,659</b>	<b>618,577</b>

All recognised gains and losses are included within the Statement of Financial Activities and all the Library's activities are classed as continuing. The notes on pages 57 to 74 form part of these accounts.

# THE BRITISH LIBRARY BOARD

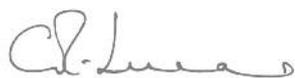
## Balance Sheet

FOR THE YEAR ENDED 31 MARCH 2010

	Notes	2009/10 £000	2008/09 £000
<b>Fixed assets</b>			
Tangible assets	9	506,771	552,456
Heritage assets	10	41,076	38,970
Investments	11	10,339	7,613
		<b>558,186</b>	<b>599,039</b>
<b>Current assets</b>			
Stocks	13	802	829
Debtors and prepayments	14	6,827	6,923
Cash at bank and in hand	15	38,165	34,269
		<b>45,794</b>	<b>42,021</b>
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	16	(23,890)	(20,299)
Provisions: amounts falling due within one year	18	(511)	(694)
		(24,401)	(20,993)
<b>Net current assets</b>		<b>21,393</b>	<b>21,028</b>
<b>Total assets less current liabilities</b>		<b>579,579</b>	<b>620,067</b>
Provision for liabilities and charges	18	(920)	(1,490)
<b>Net assets</b>		<b>578,659</b>	<b>618,577</b>
<b>Represented by:</b>			
<b>Income funds</b>			
Restricted funds	17	17,791	14,920
<b>Unrestricted funds:</b>			
Fixed Asset reserves	17	523,745	567,747
Donated Asset reserve	17	24,102	23,679
Designated Funds	17	5,794	5,335
General funds	17	7,227	6,896
<b>Total funds</b>		<b>578,659</b>	<b>618,577</b>

The notes on pages 57 to 74 form part of these accounts.

The financial statements on pages 54 to 56 and accompanying notes on pages 57 to 74 were approved by the Board/Trustees on 21 June 2010, and were signed on their behalf by:



SIR COLIN LUCAS  
CHAIRMAN  
22 JUNE 2010



DAME LYNNE BRINDLEY DBE  
ACCOUNTING OFFICER  
22 JUNE 2010

# THE BRITISH LIBRARY BOARD

## Cash Flow Statement

FOR THE YEAR ENDED 31 MARCH 2010

	2009/10	2008/09
	£000	£000
<b>Reconciliation of net movement in funds to net cash inflow from operating activities</b>		
Net movement in funds	(39,918)	(21,204)
Depreciation	18,862	16,688
Donated Assets	(423)	(619)
Loss on asset disposals	47	2
Unrealised (gain) / loss on investments	(2,401)	2,249
MHCA adjustment net	69,038	21,285
Revaluation of Property and Plant and Machinery	(27,311)	(5,314)
Provision for liabilities and charges	(570)	(631)
Decrease in stocks	27	–
Decrease in debtors	96	2,828
Increase in creditors	3,408	614
<b>Net cash inflow from operating activities</b>	<b>20,855</b>	<b>15,898</b>
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(14,951)	(10,532)
Purchase of heritage assets	(1,683)	(2,450)
Purchase of investments	(325)	(346)
<b>Net cash outflow from capital expenditure and financial investment</b>	<b>(16,959)</b>	<b>(13,328)</b>
<b>Increase in cash in the year</b>	<b>3,896</b>	<b>2,570</b>
<b>Reconciliation of net cash flow to movement in net funds</b>		
Increase in cash in the year	3,896	2,570
Net funds as at 1 April	34,269	31,699
<b>Net funds as at 31 March</b>	<b>38,165</b>	<b>34,269</b>

Net funds comprise cash at bank, cash in hand and short-term deposits.

## NOTES TO THE ACCOUNTS

### 1. Accounting policies

#### a) Accounting convention

The Accounts have been prepared in accordance with the accounts direction given by the Secretary of State for Culture, Olympics, Media and Sport with the approval of the Treasury, in accordance with Section 5(3) of the British Library Act 1972. A copy of the accounts direction can be obtained from The British Library, 96 Euston Road, London, NW1 2DB.

Accordingly, the Accounts have been prepared under the historical cost convention as modified by the revaluation of land and buildings and in accordance with the Statement of Recommended Practice *Accounting and Reporting by Charities*, issued March 2005, (the 'SORP'), the Charities Act 1993, the Charities (Accounting and Reports) Regulations 2005, the *Financial Reporting Manual* and generally accepted accounting practice so far as considered appropriate or as modified by Treasury guidance.

Within the Statement of Financial Activities the Library reflects its costs against its strategic priorities as a proxy for the charitable activities required by the SORP.

In addition, modified historic cost accounting has been utilised more fairly to represent the current cost of the Library's most significant assets, where the comparison with historic values shows a material difference.

#### b) Incoming resources

Grant in Aid received from the DCMS is allocated to unrestricted funds in the year in which it is received.

Provision of Services income is recorded on an accruals basis and is shown net of Value Added Tax.

Donations are included in the Statement of Financial Activities on a cash received basis, or where all entitlement criteria of certainty and measurability as per the Statement of Recommended Practice (SORP) 2005 have been met by the Balance Sheet date.

UK Grants from government bodies, funds from the EU and other grants are recognised in the Library's Accounts when the grantor's terms and conditions have been satisfied.

Investment income relates to interest received on daily bank balances and dividends from the Fixed Asset

Investments. These are recorded on an accruals basis.

#### c) Taxation

The British Library Act 1972 states that 'the Board shall be a body corporate and that, for the purposes of the Charities Act 1960, the Board shall be an exempt charity'. The British Library enjoys exemption under the Income and Corporation Taxes Act 1988 for profits from primary purpose trading activities as an exempt charity. The British Library is able to recover VAT relating to the expenditure for primary purpose activities, any irrecoverable VAT is apportioned across the strategic priority cost categories detailed in note 6.

#### d) Valuations

In accordance with FRS 15 regular professional valuations of land and property are carried out, having regard to the importance of the estate to the operation of the department, but in any event, at least once in every five years. The structural plant and machinery element of the property is also included within the professional revaluations, no other plant and machinery assets are revalued as the adjustments would not be material. In the interim years, land and property are revalued using relevant price indices; the price indexed revaluations are then reversed when the professional valuations are carried out.

#### e) Fixed assets

The threshold for capitalising assets is £10,000.

In accordance with the *Financial Reporting Manual*, additions to the collection acquired since 1 April 2001 are capitalised and recognised in the Balance Sheet under Heritage Assets. The assets are classified by whether the items were bought by, or donated to, the Library. The cost or value of the acquisition is used, where such a cost or valuation is reasonably obtainable. Such items are not depreciated or revalued. Collection items with values below the capitalisation threshold are expensed when the expenditure is incurred.

Items donated to the collection by third parties, either by gift of the asset or 'in lieu of tax', are capitalised at current value on receipt. Donated assets are not depreciated as due to their infinite useful life and high residual value any depreciation charge would be immaterial. As the assets are not

depreciated they are subject to an annual impairment review.

Depreciation is provided on all intangible and tangible fixed assets, other than freehold land and collection items.

Digitisation expenditure is capitalised on an annual basis, any directly attributable costs for the digital programmes are capitalised and depreciated in line with other computer equipment.

Depreciation rates are calculated to write off the cost or valuation of each asset, less estimated residual value, evenly over its expected useful life, as follows:

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#### Freehold buildings

Over the remaining useful life as at the valuation date, up to a maximum of 75 years.

---

#### Leasehold buildings

Over the lease term, up to a maximum of 25 years.

---

#### Plant and machinery, office and computer equipment

3 to 25 years.

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#### Computer equipment

3 to 5 years.

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#### Motor vehicles

4 years.

---

#### Assets in the course of construction

No depreciation is charged, until the building is operational and supporting the activities of the Library.

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#### Intangible/licences

3 years.

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#### f) Government grant

Grant in Aid from the Department for Culture, Media and Sport is allocated to general purposes and is taken to the Statement of Financial Activities and recognised in the period in which it is received.

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#### g) Stocks

Stocks are stated at the lower of cost or net realisable value. Provision is made against slow-moving and obsolete stock. Any stocks of consumables held are considered written off at the time of purchase.

Stocks held in respect of book binding activities are recorded at cost. As this stock is not of a general nature it would not be cost effective to test the realisable value in determining which provides the lower valuation.

#### **h) Foreign currencies**

Assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at the year end, unless a corresponding forward exchange contract is in place. Transactions in foreign currencies are translated at the rate ruling at the time of the transaction. All exchange differences are taken to the Statement of Financial Activities (SOFA).

#### **i) Operating leases**

Costs relating to operating leases are charged to the SOFA over the life of the lease.

#### **j) Fund accounting**

General funds are available for use at the discretion of the Board in furtherance of the general objectives of the Library.

Designated Funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes.

Restricted funds are resources subject to specific restrictions imposed by donors or by the purpose of the appeal.

Restricted funds are charged for any library services they utilise.

#### **k) Notional costs**

In accordance with Treasury guidance, a notional cost of capital of 3.5% is charged to the Statement of Financial Activities in arriving at a net incoming/ (outgoing) resources figure.

#### **l) Financial Instruments**

The Library has applied *FRS 25 Financial Instruments: Presentation*, *FRS 26 Financial Instruments: Recognition and Measurement* and *FRS 29 Financial Instruments*.

#### **Financial assets**

Investments comprise restricted funds which have been invested in unit trusts traded on an active market. These have been classified as available for sale and recognised at fair value, being the bid price on the Balance Sheet date. Income generated is recognised as restricted Investment Income on the SOFA, allocated to the restricted fund which holds the investment and re-invested. Unrestricted Investment Income is interest received on unrestricted cash balances. Unrecognised gains and losses arising from changes in the fair value are recognised in the SOFA and taken to a Fair Value Reserve. Recognised gains and losses on disposal of investments are recognised in the SOFA.

Trade debtors are recognised at carrying value, reduced by appropriate allowances for estimated irrecoverable amounts.

#### **Financial liabilities**

Trade creditors are short-term and are stated at carrying value in recognition that these liabilities fall due within one year. Customer deposits are stated at cost and are repayable on demand.

#### **m) Resources expended**

All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category, including an apportionment of overhead and support costs as shown in note 6.

- a) Costs of generating funds are those incurred in seeking voluntary contributions and do not include the costs of disseminating information in support of the charitable activities.
- b) Charitable activities
  - i. Costs incurred on capturing extensively and store UK digital publications include all costs associated with collecting current digital publications.
  - ii. Connect our users with content represent the costs of maintaining and improving catalogues and resource systems.
  - iii. Transform access and preservation for newspapers costs are those incurred in building a dedicated newspaper storage facility and digital access to newspapers.
  - iv. Support UK research with innovative services and integrated processes includes all the costs for developing and modernising research tools in different educational sectors.
  - v. Build our digital infrastructure costs are those incurred in developing systems to provide storage, preservation and long-term access to digital material.

- vi. Integrate storage and preservation of physical collections costs are those incurred in safeguarding the national collection and enhancing the security of the vulnerable material.
  - vii. Develop as an organisation costs represent the costs of developing and implementing strategies to support the workforce, the community and the environment.
- c) Governance costs include the costs of providing the governance infrastructure that allows the Library to operate including the costs of statutory and internal audit.

## 2. Voluntary income

	2009/10 Unrestricted £000	2009/10 Restricted £000	2009/10 Total £000	2008/09 £000
Donated assets	423	–	423	619
Other donations and grants	1,272	7,921	9,193	7,374
<b>Total voluntary income</b>	1,695	7,921	9,616	7,993

The above grants include £0.8m of EU grants (£1.4m in 2008/09).

## 3. Provision of services

Provision of Services includes document supply services and associated activities, computer information search, sponsorship income, retrieval and publications and retail income. The provision of services income can be further analysed by both business and geographical segments.

### A) CLASSES OF BUSINESS

	2009/10 £000	2008/09 Re-stated £000
Capture extensively and store UK digital publications	1,127	2,191
Connect our users with content	16,589	18,122
Transform access and preservation for newspapers	512	165
Support UK research with innovative services and integrated processes	1,697	587
Build our digital infrastructure	33	22
Integrate storage and preservation of physical collections	484	339
Develop as an organisation	35	10
Other	2,197	2,594
	<b>22,674</b>	<b>24,030</b>

### B) GEOGRAPHICAL SEGMENTS

	2009/10 £000	2008/09 £000
United Kingdom	15,260	15,648
Overseas	7,414	8,382
	<b>22,674</b>	<b>24,030</b>

## 4. Investment income

	2009/10 £000	2008/09 £000
Interest receivable	79	1,132
Dividends receivable	339	360
<b>Total investment income</b>	<b>418</b>	<b>1,492</b>

## 5. Other incoming resources

### Grant in Aid

Total Grant in Aid drawn down by the British Library Board was £109.5m, with £12.1m being allocated for capital projects/improvements (£106.9m received in 2008/09, £12.1m re capital). This money is available for running costs, capital improvements and collection purchases.

## 6. Net cost of resources expended

	Staff	Other direct	Depreciation	Allocated	Total	Income	Allocated	2009/10	2008/09
	costs	costs		support cost	cost		support	Net cost <sup>2</sup>	Total cost
	£000	£000	£000	£000	£000	£000	income	£000	Re-stated
							£000		£000
<b>Direct costs</b>									
Costs of generating funds	306	103	2	–	411	(17)	–	394	774
Investment management fees	–	15	–	–	15	–	–	15	13
Capture extensively and store UK digital publications	1,491	955	92	1,842	4,380	(1,924)	(123)	2,333	4,630
Connect our users with content	29,151	23,899	335	40,992	94,377	(18,928)	(2,740)	72,709	98,941
Transform access and preservation for newspapers	191	502	5	3,467	4,165	(512)	(232)	3,421	1,864
Support UK research with innovative services and integrated processes	1,396	1,818	–	887	4,101	(3,383)	(59)	659	3,086
Build our digital infrastructure	(1029)	256	1,491	3,108	3,826	(958)	(208)	2,660	4,079
Integrate storage and preservation of physical collections	7,395	4,027	1,804	11,413	24,639	(2,057)	(763)	21,819	23,054
Develop as an organisation	1,822	1,808	3	2,539	6,172	(635)	(170)	5,367	6,528
Governance costs <sup>3</sup>	165	513	–	–	678	–	–	678	477
	40,888	33,896	3,732	64,248	142,764	(28,414)	(4,295)	110,055	143,446
<b>Support costs</b>									
Information systems	4,940	2,306	141	(7,387)	–	(17)	17	–	–
Corporate services	21,921	19,951	14,989	(56,861)	–	(4,278)	4,278	–	–
	67,749	56,153	18,862	–	142,764	(32,709)	–	110,055	143,446

In accordance with the SORP 2005, the non Grant in Aid income and total costs of the organisation have been categorised by the Library's strategic priorities. When costs cannot be directly attributed to one of the Library's objectives, they have been allocated to activities on a basis consistent with the use of resources. The support costs have been allocated using the overhead allocation model in place within the British Library. The model allocates the costs based on usage and percentage expenditure incurred in directly undertaking an activity.

The Library updated its strategy in 2009/10 and therefore new strategic priorities are being reported within the accounts, the 2008/09 figures have been re-stated to reflect the new categories; however there was no impact on the total resources expended.

<sup>2</sup> Net cost is calculated by deducting provision of services, donated and investment income from total expenditure.

<sup>3</sup> Governance costs includes the costs of Board Membership remuneration, legal fees, internal and external audit fees and staff costs associated with the preparation of the statutory accounts.

## A) STAFF COSTS

	2009/10 Library staff £000	2009/10 Agency £000	2009/10 Total £000	2008/09 £000
Wages and salaries	51,476	2,606	54,082	53,511
Social security costs	3,875	–	3,875	3,897
Pension disbursements	9,316	–	9,316	9,593
Voluntary redundancy/restructuring programme for former employees				
Current year costs	895	–	895	1,030
Utilisation of provision	(885)	–	(885)	(1,014)
Provision for future costs	132	–	132	274
	64,809	2,606	67,415	67,291
Board Members' remuneration see (i) on following page	334	–	334	332
	65,143	2,606	67,749	67,623

During the year £1.8m of staff costs have been capitalised as part of the Digital Library Programme (£900k) and the Newspaper Storage Building (AICC) (£900k) and are therefore not included in the above figures.

Staff of the British Library are eligible to become a member of one of the Principal Civil Service Pension Schemes ('PCSPS'), these being pension schemes that provide retirement and related benefits to all eligible employees. Pension benefits are provided on a final salary basis, at a normal retirement age of 60 except for staff joining after 30 July 2007. These staff will join the Nuvos scheme which has a normal pension age of 65 and the benefits are based on earnings throughout a career and then index linked. Benefits accrue, depending upon the pension scheme chosen, at the rate of one sixtieth or one eightieth of pensionable salary for each year of service. In addition, a lump sum equivalent to three years' pension is payable on retirement. Members pay contributions of 1.5% or 3.5% of pensionable earnings, depending upon the respective scheme the member is in.

On death, pensions are payable to the surviving spouse at a rate of half the member's pension. On death in service, the beneficiary receives a lump sum benefit of twice pensionable pay and also provides a service enhancement on computing the spouse's pension. The enhancement depends on the length of service and cannot exceed 10 years. Medical retirement is possible in the case of serious ill health.

All staff pays either 1.5% or 3.5% of pensionable earnings to the PCSPS. The rate of 3.5% applies to staff who joined on or after 1 October 2002 and existing staff who have opted for the Premium or Classic Plus pensions, rather than the Classic pension scheme.

The PCSPS is an unfunded multi-employer defined benefit scheme but the British Library is unable to identify its share of the underlying assets and liabilities. A full actuarial valuation was carried out at 31 March 2007. Details can be found in the resource accounts of the Cabinet Office: Civil Superannuation ([www.civilservice-pensions.gov.uk](http://www.civilservice-pensions.gov.uk)).

Pension disbursements relate to:

- The Accruing Superannuation Liability Contributions payable to the Principal Civil Service Pension Scheme in respect of existing eligible employees.

For 2009/10, employers' contributions of £9,242,630 were payable to PCSPS (2008/09 £9,516,433) at one of four rates in the range 17.1% to 25.5% of pensionable pay, based on salary bands. The scheme's Actuary reviews employer contributions every four years following a full valuation. From 2009/10, the salary bands will be revised but the rates will be in the range 16.7% to 24.3%. The contribution rates are set to meet the cost of the benefits accruing during 2009/10 to be paid when the member retires, and not the benefits paid during this period to existing pensioners.

Employees joining after 1 October 2002 could opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions of £73,117 were paid to one or more of the four appointed stakeholder pension providers (2008/09 £77,081). Employer contributions are age-related and range from 3% to 12.5% of pensionable pay. Employers also match employee contributions up to 3% of pensionable pay. In addition, employer contributions of 0.8% of pensionable pay, were payable to PCSPS to cover the cost of the future provision of lump sum benefits on death in service and ill health retirements of these employees.

i) BOARD MEMBERS' REMUNERATION

	2009/10 £000	2008/09 £000
Fees and salaries	305	302
Social Security costs	29	30
	<b>334</b>	<b>332</b>
<b>Remuneration for non-pensionable Board Members:</b>		
Dawn Airey	9.0	9.0
Robin S Broadhurst CVO CBE	9.0	9.0
Professor Sir Robert G Burgess	9.0	9.0
Sir Kenneth Calman	9.0	9.0
Lord Fellowes	9.0	9.0
Sheila Forbes CBE	9.0	9.0
Professor Dame Wendy Hall CBE	9.0	9.0
Eileen Mackay CB	9.0	9.0
Dr Kate McLuskie	9.0	9.0
Dr Maggie Semple OBE	9.0	9.0
	<b>90.0</b>	<b>90.0</b>

The Board Members' remuneration total above includes all Board members, the Chairman, the Chief Executive and the list of Board members below. Details of the Chairman and Chief Executive's remuneration can be found in the remuneration report on page 48.

No pension contributions were made on behalf of the above Board Members in the year. The Board Members' remuneration is in accordance with The British Library Act.

During the year, a total of £8,600 (£8,800 in 2008/09) has been paid to seven (seven in 2008/09) Board members for travel expenses.

ii) SENIOR EMPLOYEES

The following number of employees, excluding the Executive Team (for whom, details of remuneration are contained in the Remuneration Report), members of the British Library Board and the Chairman, received remuneration falling within the following ranges:

	2009/10 No.	2008/09 No.
£60,001 – £70,000	15	14
£70,001 – £80,000	6	3
£80,001 – £90,000	3	5
£90,001 – £100,000	3	1

THE AVERAGE FULL TIME EQUIVALENT (FTE) STAFF DURING THE YEAR WAS:

	Staff directly employed by the British Library	Agency	2009/10 Total (FTE)	2008/09 Total (FTE)
Chief Executive's Office	7	–	7	7
e-Strategy and Information Systems	163	1	164	143
Finance and Corporate Services	124	3	127	243
Human Resources	126	15	141	35
Operations and Services	993	29	1,022	1,016
Scholarship and Collections	383	–	383	412
Strategic Marketing and Communications	106	3	109	121
	<b>1,902</b>	<b>51</b>	<b>1,953</b>	<b>1,977</b>

At 1 April 2009 93 FTE employed by the British Library within the Integrated Risk Management department was transferred into the Human Resources directorate from Finance and Corporate Services.

## B) OTHER DIRECT COSTS

	2009/10	2008/09
	£000	£000
Acquisitions for the collections	17,694	18,089
Conservation and binding services	1,819	1,912
Administration, equipment, supplies and services	36,181	38,673
Non-recoverable VAT (net)	412	459
Loss on disposal of fixed assets	47	2
	<b>56,153</b>	<b>59,135</b>

The above table is exclusive of staff costs.

## 7. Notional cost of capital

Notional cost of capital is calculated as 3.5% of the average capital employed in the year, excluding collection assets purchased and donated and is required by the *Financial Reporting Manual*. The cost for 2009/10 was £20.9m (£21.9m 2008/09).

## 8. Resources expended

THIS IS STATED AFTER CHARGING:

	2009/10	2008/09
	£000	£000
External auditors' remuneration	53	52
Rent on land and buildings	1,350	1,358
Lease/rental payments on equipment	254	250
Depreciation on other fixed assets	18,862	16,688
Bad debt provision movement	13	26
Stock Provision movement	(87)	(9)

The auditors' remuneration is for the audit of the Annual Report and Accounts: there was no non-audit work performed during 2009/10.

## 9. Tangible fixed assets

### A) MOVEMENTS

	Land and buildings £000	Plant and machinery £000	Office equipment £000	Motor vehicles £000	Computer equipment £000	AICC £000	Total £000
<b>Cost or valuation</b>							
At 1 April 2009	483,186	159,129	10,527	77	9,836	959	663,714
Additions	3,016	3,396	66	10	4,838	3,625	14,951
Modified Historic Cost Accounting (MHCA) adjustment	(72,845)	128	–	–	–	–	(72,717)
Transfer	(12,089)	12,089	–	–	–	–	–
Revaluation	(7,020)	16,087	–	–	–	–	9,067
Disposals	–	(259)	(72)	–	(3,375)	–	(3,706)
<b>At 31 March 2010</b>	<b>394,248</b>	<b>190,570</b>	<b>10,521</b>	<b>87</b>	<b>11,299</b>	<b>4,584</b>	<b>611,309</b>
<b>Depreciation</b>							
At 1 April 2009	28,767	66,395	10,015	41	6,040	–	111,258
Charge for year	6,893	9,661	130	23	1,720	–	18,427
Adjustments	(262)	570	–	–	127	–	435
MHCA adjustment	(3,685)	6	–	–	–	–	(3,679)
Revaluation	(11,165)	(7,079)	–	–	–	–	(18,244)
Disposals	–	(251)	(72)	–	(3,336)	–	(3,659)
<b>At 31 March 2010</b>	<b>20,548</b>	<b>69,302</b>	<b>10,073</b>	<b>64</b>	<b>4,551</b>	<b>–</b>	<b>104,538</b>
<b>At 31 March 2010</b>	<b>373,700</b>	<b>121,268</b>	<b>448</b>	<b>23</b>	<b>6,748</b>	<b>4,584</b>	<b>506,771</b>
At 31 March 2009	454,419	92,734	512	36	3,796	959	552,456

Assets in the Course of Construction ('AICC') represent work on the design, build and planning of the Newspaper Strategy Programme at Boston Spa.

The Modified Historic Cost Accounting indices for the land and building adjustments are provided by the Department for Culture, Media and Sport and for the plant and machinery adjustment the indices are taken from the *Price Index Numbers for Current Cost Accounting (MM17) April 2010* available from the Office for the National Statistics for plant and machinery.

## B) VALUATIONS

The land and buildings as at 31 March 2010 include two properties at Boston Spa and one at Colindale valued at £60,678,000 on 31 March 2009, and one building, St Pancras, valued at £453,380,000 (including £119.5m of mechanical equipment that has been classified as Plant and Machinery) on 31 March 2010. In addition to the main St Pancras building, the British Library Centre for Conservation was valued at £15,335,000 on 31 March 2010, for which title has been vested in the British Library Board.

Site		Land £000	Buildings £000	Totals £000
St Pancras – Main building	Freehold	80,020	373,360	453,380
St Pancras – Centre for Conservation	Freehold	3,980	11,356	15,336
Boston Spa	Freehold	7,660	20,570	28,230
Boston Spa – Additional Storage Building	Freehold	370	25,878	26,248
Colindale Avenue	Freehold	2,100	4,100	6,200
		<b>94,130</b>	<b>435,264</b>	<b>529,394</b>

The St Pancras site including the British Library Centre for Conservation was valued as at 31 March 2010 by Drivers Jonas, Chartered Surveyors, using the 'Depreciated Replacement Cost' basis of valuation.

The Boston Spa and Colindale sites were revalued as at 31 March 2009 by Drivers Jonas, using the 'Depreciated Replacement Cost' basis of valuation.

The methodology of valuing properties is in line with HM Treasury and DCMS guidance to Non-Departmental Public Bodies.

## 10. Heritage assets

Heritage assets	Collections purchased £000	Collections donated £000	Total £000
<b>Cost or valuation</b>			
At 1 April 2009	15,291	23,679	38,970
Additions	1,683	423	2,106
Disposals	–	–	–
<b>At 31 March 2010</b>	<b>16,974</b>	<b>24,102</b>	<b>41,076</b>

In accordance with the FREM, additions to the collection acquired / donated since 1 April 2001 are capitalised and recognised in the Balance Sheet under Heritage assets. Heritage assets are items held by the Library for preservation and conservation purposes and do not attract any depreciation as they are deemed to have an infinite life.

Collections Purchased are valued at cost and the Collections Donated are valued using an independent valuation at the date the Library takes ownership.

## 11. Financial assets: Investments

	2009/10 £000	2008/09 £000
Market value at 1 April	7,613	9,516
Acquisitions funded by dividends reinvested	325	346
Unrealised gain / (loss)	2,401	(2,249)
<b>Market value at 31 March</b>	<b>10,339</b>	<b>7,613</b>
<b>Analysed by:</b>		
Listed securities	10,266	7,541
Cash trusts	73	72
	<b>10,339</b>	<b>7,613</b>
<b>Geographical analysis</b>		
United Kingdom investments	9,900	7,312
Overseas investments	439	301
	<b>10,339</b>	<b>7,613</b>

Investments are only held for the purpose of the Library's restricted funds, with their aim being to achieve an appropriate balance between income generation and capital growth particular to the fund.

## 12. Financial Instruments

FRS 29 'Financial Instruments': Disclosures requires entities to provide disclosures which allow users of the accounts to evaluate the significance of financial instruments for the entity's financial position and performance and the nature and extent of risks arising from financial instruments during the period. The majority of financial instruments relate to contracts to buy non-financial items in line with the Library's expected purchase and usage requirements and the Library is therefore exposed to little credit or liquidity risk. The Library holds a portfolio of quoted investments and therefore is subject to some market risk.

### Credit risk

The Library is exposed to credit risk of £2.8m of trade debtors. However this risk is not considered significant as major customers are familiar to the Library. The Library has recovered 99% of trade debtors over the last two years. Bad and doubtful debts are provided for on an individual basis. Write offs in the year for bad debts amounted to £4,680 (£12,911 in 2008/09).

### Liquidity risk

As around 77% of the cash requirements of the Library are met through Grant in Aid from the Department for Culture, Media and Sport, financial instruments play a more limited role in creating risk than would apply to a non-public sector body of a similar size. The remaining income is self-generated and is volatile. Remote document supply is the major source of self-generated income and performance has been strong in recent years. The Library has sufficient unrestricted funds to cover its current liabilities.

### Market risk

The Library holds some restricted fund balances in unit trust investments, as shown in note 11, and so is subject to some market risk. An unrealised gain of £2.4m has been recorded this year compared to a £2.2m loss in 2008/09. Due to the significant gain in the year the impact on the funds has reduced. Additional information on the Library's Investment Policy is given in the Trustees' Annual Report.

### Foreign currency risk

The Library has an international customer and supplier base and so is subject to a degree of foreign currency risk. In 2009/10, net foreign currency exchange losses of £0.08m were recognised (£0.4m gain in 2008/09). As part of the Library's Treasury Management Strategy, the risk of fluctuations is managed through a variety of policies including holding bank accounts in foreign currencies to enable us to match our foreign currency transactions as a means of mitigating our currency risk.

### Interest rate risk

Risks relating to interest rates are managed by budgeting conservatively for investment income. The table below shows the interest rate profile of the Library's financial assets. The benchmark for the Library's floating rate investments is 0.3% below the Bank of England base rate.

### Investment income profile

The following table shows the interest rate profile of the Library's financial assets. As the Library has no finance leases or loans, financial liabilities have been omitted from this table. The benchmark for the Library's floating rate investments is 0.3% below the Bank of England base rate.

	Floating rate £000	2009/10 Cash trusts £000	Listed securities £000	Total £000	2008/09 Total £000
Sterling	34,224	73	10,266	44,563	39,953
Dollar	1,106	–	–	1,106	71
Euro	2,562	–	–	2,562	1,830
Yen	273	–	–	273	28
<b>Total</b>	<b>38,165</b>	<b>73</b>	<b>10,266</b>	<b>48,504</b>	<b>41,882</b>

## 13. Stocks

	2009/10 £000	2008/09 £000
Stocks for resale	560	588
Raw materials	242	241
<b>Total stocks</b>	<b>802</b>	<b>829</b>

Stocks for resale comprises of printed, microfiche and CD-Rom publications and are available from the Library Shop and Library Website.

Raw materials stocks are items for the conservation of books including leathers, hides and papers.

## 14. Debtors and prepayments

	2009/10 £000	2008/09 £000
<b>Amounts falling due within one year</b>		
Trade debtors	2,781	3,393
Other debtors	2,336	1,635
Prepayments and accrued income	1,710	1,895
	<b>6,827</b>	<b>6,923</b>

For the purpose of the Whole of Government Accounts (WGA), there is a debtor with H M Revenue and Customs of £2m relating to the repayment of VAT and all other debtors are external to the government.

## 15. Cash at bank and in hand

	2009/10 £000	2008/09 £000
Restricted funds	7,479	7,292
Monies held on deposit for customers	3,925	4,073
Cash balances	12	14
General funds	26,749	22,890
	<b>38,165</b>	<b>34,269</b>

Customer deposit account balances represent payments from customers in advance of supply of goods/services.

## 16. Creditors

	2009/10 £000	2008/09 £000
<b>Amounts falling due within one year</b>		
Trade creditors	4,130	5,196
Monies held on deposit for customers	3,925	4,073
Other creditors	3,856	3,977
Accruals	11,539	6,647
Deferred income	440	406
	<b>23,890</b>	<b>20,299</b>

For the purpose of the Whole of Government Accounts (WGA), there is a creditor with H M Revenue and Customs of £1.29m; this includes £0.3m of employees' NI contributions retained by the Library as part of the PAYE process and the Cabinet Office of £0.88m. All other creditor balances are external to the Government.

## 17. Statement of funds

	As at 1 April 2009` £000	Transfers to/(from) £000	Expenditure £000	Incoming resources £000	Realised and unrealised gains and (losses) £000	As at 31 March 2010 £000
<b>Unrestricted funds:</b>						
General funds	6,896	247	(134,710)	134,794		7,227
Designated funds (fixed assets)	567,747		(69,038)	23,057		521,766
Designated funds						
Shaw fund	4,841	–	(505)	155	–	4,491
Membership / general donations	469	(1)	–	271	–	739
Collection care restoration fund	–	–	(236)	775	–	539
Others	25	–	–	–	–	25
Transfer to unrestricted fixed asset reserves	–	–	541	–	–	541
Donated asset reserve	23,679	–	–	423	–	24,102
<b>Total unrestricted funds</b>	<b>603,657</b>	<b>246</b>	<b>(203,948)</b>	<b>159,475</b>	<b>–</b>	<b>559,430</b>
<b>Restricted funds</b>						
David and Mary Eccles Centre for American Studies	6,466	–	(178)	298	1,879	8,465
British Library Digitisation Campaign	625	–	–	654	–	1,279
Planets Project	1,090	–	(772)	797	–	1,115
Dingwall No.2	720	–	(2)	31	277	1,026
UKRR – Deduplication	2	–	(999)	1,523	–	526
The Sir John Ritblat Gallery: Treasures of the British Library	369	–	(16)	1	–	354
Sir Henry Thomas	240	–	(1)	9	78	326
Research Information Network	105	–	(1,403)	1,575	–	277
World Collections Programme	69	(4)	(43)	245	–	267
The MEDD Fund	–	–	–	262	–	262
Consolidated Endowment	289	1	(106)	55	10	249
Endangered Archives	131	–	(900)	952	–	183
Business & IP Centre	127	–	–	56	–	183
EC Fund: The European Library	182	–	–	–	–	182
Greek Manuscripts Digitisation Project	233	(181)	(124)	247	–	175
T S Blakeney	125	–	–	4	36	165
Centre for Conservation (Construction)	417	–	(262)	6	–	161
Digital Research Centre Exhibition	–	–	–	153	–	153
Special Exhibitions	168	(1)	(20)	–	–	147
Chinese Central Asia Database	226	1	(415)	329	–	141
Anthony Panizzi Foundation	102	–	(3)	4	38	141
Spratt-Bigot Request	136	–	(6)	–	–	130
Others	2,737	(22)	(2,648)	2,134	83	2,284
<b>Total restricted funds</b>	<b>14,559</b>	<b>(206)</b>	<b>(7,898)</b>	<b>9,335</b>	<b>2,401</b>	<b>18,191</b>
Other (deficit funds)	361	(40)	(1,394)	673	–	(400)
Transfer to unrestricted fixed asset reserves			1,438			1,438
<b>Total funds</b>	<b>618,577</b>	<b>–</b>	<b>(211,802)</b>	<b>169,483</b>	<b>2,401</b>	<b>578,659</b>

The fair value reserve included within the funds stated above are:

	As at 1 April 2009 £000	Unrealised gains/ losses under Fair Value £000	As at 31 March 2010 £000	Reserve / Fund net of Fair Value as at 31 March 2010 £000	Reserve / Fund (including Fair Value) as at 31 March 2010 £000
Eccles FVR	(2,213)	1,879	(334)	8,799	8,465
Dingwall No. 2 FVR	(285)	277	(8)	1,034	1,026
Consolidated Endowment FVR	(10)	10	–	249	249
Sir Henry Thomas FVR	(80)	78	(2)	328	326
T S Blakeney FVR	(37)	36	(1)	166	165
Anthony Panizzi Foundation FVR	(37)	38	1	140	141
Others FVR	(86)	83	(3)	2,312	2,309
<b>Restricted Fair Value Reserve</b>	<b>(2,748)</b>	<b>(2,401)</b>	<b>(348)</b>	<b>13,028</b>	<b>12,681</b>

The fair value represents the difference between historic cost and market valuation at the Balance Sheet date.

## 17. Statement of funds continued

Restricted funds are given to the Library for specific purchases for the collection or for projects which are related to the aims and objectives of the Library. Designated funds are monies which have been identified by the British Library Board for a specific purpose. All the funds with balances of over £100,000 at 31 March 2010 are listed above, with a brief description as to the aims of the fund shown below. 'Other' restricted funds comprise individual amounts less than £100,000.

The restricted funds in deficit at the year end represent 15 funds for which, due to the administration restrictions of these funds, costs are expended first and subsequently reclaimed from the external funding organisations. Future income streams should more than cover the shortfall and future costs involved in the projects.

Included within the Restricted Fund and Designated Fund expenditure are costs in relation to the purchase of fixed assets totalling £1.98m. These assets have been transferred from the restricted funds reserve to the unrestricted fixed asset reserve.

The transfers of £247,000 relate to internal charges or income applied to the restricted funds for the use of Library facilities and services.

### DESIGNATED FUNDS

#### Shaw Fund

Established by a Charity Commission order dated 13 September 2000, with the income being available for the general purposes of the British Library Board. At a meeting in September 2003, the Board adopted the following expenditure policy for the Shaw Fund income:

"To be applied as an addition to other sources of funding, for the benefit of the readership of the British Library; for the acquisition of manuscripts and other materials, to support specific projects of a scholarly or research nature, and for other similar purposes as the Board may determine".

#### Membership and general donations

A range of externally received funds, with the funds being available for the general purpose of the British Library, as decided upon by the Executive Team.

#### Collection care restoration fund

This fund represents money recovered by the Library following action taken in respect of damage/ theft to the Collection. These monies have been reserved in order to repair the damage caused to the collection items.

### RESTRICTED FUNDS

#### The David and Mary Eccles Centre for American Studies

Founded by the late Viscount and Viscountess Eccles, to further the establishment of a centre for American studies.

#### British Library Digitisation Campaign

To raise funds from external sources to support the Library's Digitisation programme.

#### Planets

Funded through the Information Society Technologies (IST) R&D Programme, the Planets Project aims to reduce the loss of digital information and improve our ability to provide access to digital information over the long-term.

#### Dingwall No. 2

Founded by Dr Eric John Dingwall, for the purchase of fine editions or the subscription of foreign periodicals.

#### UKRR – Deduplication

Funded through HEFCE, the UKRR aims to offer a shared, integrated storage and access solution for library services in Higher Education which will generate efficiencies for the UK research network.

#### The Sir John Ritblat Gallery: Treasures of the British Library

A donation from Sir John Ritblat for the Treasures Gallery.

#### Sir Henry Thomas

Founded in 1981 by Miss Amy Thomas, for the purchase of books relating to the culture and literature of Spain.

#### Research Information Network

The Research Information Network was set up in 2005. It is hosted by the British Library, and its other sponsors are the four Higher Education Funding Councils, the seven Research Councils and the National Libraries of Scotland and Wales. The RIN's aims are to develop understanding of how researchers in the UK create and use information resources; and to support the development of effective policies and practices for all those involved in the research information landscape.

## 17. Statement of funds continued

### **World Collection Programme**

Is a £3 million programme funded by the Department for Culture, Media and Sport. Initiated in April 2008, the focus is on four areas, China, India, Africa and the Middle East. The aim is to increase access and input to the collections as a way of exploring world culture and the partners. The WCP seeks to broker relationships, establish partnerships, facilitate staff exchanges, establish mechanisms to share expertise and conservation technology, and help enable loans in key geographical area. The British Library element of the £3 million programme funding is £300k.

### **The MEDD Fund**

For the conservation of manuscripts in the Board's collections written by British composers working since 1950.

### **Consolidated Endowment Account**

Founded in 1975, the fund is to be used for any purpose approved by the Board where there has not been adequate provision made through government Grant in Aid.

### **Endangered Archives**

The Programme's aim is to safeguard archival material relating to societies before 'modernisation' or 'industrialisation' generated institutional and record-keeping structures for the systematic preservation of historical records. The time period will therefore vary according to the society. Any theme or regional interest will be considered, although particularly welcome are applications concerned with non-western societies

### **Business & IP Centre**

The fund was set up to collect donations/ sponsorship for the Centre from sources other than the London Development Agency. The funds will be used to further the Centre's objectives in supporting entrepreneurs.

### **EC Fund: The European Library**

A collaboration between a number of European national libraries, to establish a professionally designed and maintained single access point to the collections in all the national library partners

### **Greek Manuscripts Digitisation Project**

Donation from Niarchos to support the creation of content metadata for Greek manuscripts mass digitisation project.

### **T S Blakeney**

Founded in 1977 by Thomas Sydney Blakeney, for the purchase of western manuscripts.

### **Centre for Conservation (Construction)**

Funds raised from external sources for the construction of the British Library Centre for Conservation.

### **Digital Research Exhibition**

The *Growing Knowledge* exhibition will display and demonstrate innovative tools and technologies that support research and explore the value of digital technologies and their use in academic and other research.

Developed in partnership with technology, furniture, content and research partners, including Microsoft, HP, JISC and Haworth. On display at St Pancras and on the British Library Website, the exhibition will open on 12 October 2010 and will support the Library's autumn communications focus on the digital research future.

## SPECIAL EXHIBITIONS

Funding for future exhibitions.

### **Chinese Central Asia Database**

Contributions to support the International Dunhuang Project in its aim to catalogue, digitise and facilitate scholarly research on the Dunhuang manuscripts held by the Library and other institutions in Europe, Asia and USA.

### **Anthony Panizzi Foundation**

Founded in 1982 by an anonymous donor, for the advancement of public education by funding a lecture or series of lectures in the subject of advanced bibliography.

### **Spratt-Bigot Bequest**

For the purchase of works in French by French authors.

## 18. Provision for liabilities and charges

A provision has been made in full for employees leaving the organisation under early retirement or early severance terms. The provision represents the estimated future costs to the Library, for both staff that have left and staff that are known to be leaving in 2010/11.

	Early retirement/ severance provision £000	Other liability and charges £000	2009/10 Total £000	2008/09 Total £000
At 1 April	2,034	150	2,184	2,924
Additional provision	132	–	132	274
Utilisation of provision	(885)	–	(885)	(1,014)
At 31 March	1,281	150	1,431	2,184
Less: portion included in creditors due within one year	(511)	–	(511)	(694)
Amounts falling due after one year	770	150	920	1,490

## 19. Commitments under operating leases

	Land and Buildings	
	2009/10 £000	2008/09 £000
<b>Amounts payable within one year relating to operating leases which expire:</b>		
Within one year	1,218	32
Two to five years	–	1,178
More than five years	8	8
	<b>1,226</b>	<b>1,218</b>

## 20. Analysis of net assets between funds

	Unrestricted funds £000	Restricted funds £000	Total £000
<b>Fund balances at 31 March 2010 are represented by:</b>			
Tangible fixed assets	506,771	–	506,771
Heritage assets	41,076	–	41,076
Investments	–	10,339	10,339
Current assets	38,315	7,479	45,794
Current liabilities	(24,376)	(25)	(24,401)
Non-current liabilities	(920)	–	(920)
<b>Total net assets</b>	<b>560,866</b>	<b>17,793</b>	<b>578,659</b>

## 21. Capital commitments

	2009/10 £000	2008/09 £000
Contracted and not provided for	11,780	2,207
Authorised, but not contracted for	19,383	9

The capital commitment figures include the contracted and authorised costs for the moving of collection items into the Additional Storage Building and the planning and building of the Newspaper Storage Building at Boston Spa. £10m of the commitments will be spent within one year, the remainder in less than four years.

## 22. Related party transactions

The British Library is a Non-Departmental Public Body sponsored by the Department for Culture, Media and Sport.

The Department for Culture, Media and Sport is regarded as a related party. During the year the Library has had a number of transactions in the normal course of business and at full arm's length with the Department.

The Library has also had a number of transactions in the normal course of business and at full arm's length with a number of DCMS – sponsored bodies: the British Museum, the Imperial War Museum, the National Portrait Gallery, the Royal Armouries and the Victoria and Albert Museum.

During the year a number of Board members have contributed to the Library's Adopt a Book Appeal. Dame Lynne Brindley is a Trustee of the Gilson Trust, and Ronald Milne served as a Trustee of the Saga Trust for part of the year (to 11 September 2009).

The Library sets aside office space and equipment for the Friends of the British Library to undertake some of their duties, however there is no direct financial support from the Library to the Friends of the British Library.

The British Library also entered into material related party transactions with other related parties during the year, as set out below.

Related party	Nature of transaction	Income 2009/10 £000	Expenditure 2008/09 £000	Relationship
Arts & Humanities Research Council	Grants towards the Royal Illuminated Manuscripts of the Kings and Queens of England Projects and the Research Information Network. Reimbursement of underspend on Digital Lives project.	88	9	Dame Lynne Brindley, a member of the related party, served as the Chief Executive and Accounting Officer to the British Library.  Sir Colin Lucas, an ad hoc member of committees of the related party, served as the Chairman to the British Library.
Sir Robert McAlpine Ltd	Contract payments for the construction of the British Library Centre for Conservation exhibition running costs.	–	303	Robin Broadhurst, a consultant and adviser to the related party, served as a trustee to the British Library.

There were no Debtor balances for the Related Parties at 31 March 2010.  
The Sir Robert McAlpine invoice is a creditor balance at 31 March 2010.

## 23. Post Balance Sheet events

There were no Post Balance Sheet events requiring disclosure in or adjustment to the accounts.

On 24 May 2010 the Library was advised by the Department for Culture, Media and Sport that its Grant in Aid in 2010/11 had been reduced by 3%, equating to approximately £4m. The Library has made the adjustments to its in year budgets necessary to deliver the required expenditure reduction.

The accounts were authorised for issue on 12 July 2010 by the Accounting Officer and Board of Trustees.

## 24. Contingent liabilities

### British Library Newspaper Digitisation project

The British Library has undertaken the digitisation of millions of pages from the archive using a commercial partner to take on the costs of digitisation in return for being able to exploit the digitisations commercially.

The supplier has warranted in the contract with the Library that use of the digitisations will not infringe copyright, or give rise to any possible action for defamation and has undertaken to cover any liability falling on the Library as a result of any such claims (in addition to the cost of defending the action) up to £5m.

The Department has agreed to underwrite any liability which arises beyond that, for the duration that such claims might arise. It is considered that a claim in excess of £5m would be extremely unlikely but in the event that the liability is called, provision for any payment will be sought through the normal Supply procedure.

## 25. Trust funds (unaudited)

Members of the British Library Board do not act as Trustees for the Gilson and Saga Trusts; however because of the shared management and close relationship to the Library, the aggregated results for these funds are shown in table below:

	2009/10 £000	2008/09 £000
Income	9	10
Expenditure	(12)	(17)
Unrealised gains/(losses) on investments	27	(28)
<b>Surplus / (deficit) for the year</b>	<b>24</b>	<b>(35)</b>
Investments	291	265
Short-term deposits	5	5
Net debtors/(creditors)	–	–
Cash at bank	73	62
<b>Net assets</b>	<b>369</b>	<b>332</b>

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ISBN 978 0 10 2961164  
ISSN 1755 1927 (Online)

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## Credits

The British Library extends thanks to everyone who has contributed to the development of this Annual Report and Accounts.

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### Design

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### Print

Spellman Walker Ltd

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