

# ANNUAL REPORT AND ACCOUNTS 2006/07

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Scholarship and research

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# Welcome to the British Library's Annual Report and Accounts 2006/07

We're delighted you're reading this Report. We are committed to printed media. But we're also very excited about the possibilities opening up on the web and this year our online Report has been the focus of major innovation.

We'd urge you to visit the new style Annual Report at [www.bl.uk/mylibrary](http://www.bl.uk/mylibrary)

There you'll find video presentations by our Chairman and Chief Executive, webcams of the year's achievements from our Directors, footage of Library users telling their stories, and animated charts showing how we've measured up against our targets.

We want to generate more of a dialogue with our users and stakeholders. Every webpage gives you the opportunity to give us feedback, tell us your story or respond to our opinion poll. Each page links directly to the projects and resources that are talked about in the Report.

Join us online and discover more.

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

# Sir Colin Lucas, Chairman





# The British Library is truly and emphatically a library for the world.

## Thoughts on arrival

It was a great privilege to be appointed as the eighth Chairman of the British Library Board on 1 September 2006. The British Library is a wonderful library – and an enormous asset to this nation. I am looking forward to building on the work that the Board has accomplished under my distinguished predecessor, Lord Eatwell, to enable the Library's leadership to meet the challenges of the 21st century.

I have spent much of my working life in libraries and I care passionately about what they do. They are important places where we store the knowledge of current and previous generations, where people are inspired, where people learn, and where people advance knowledge. Amongst the libraries of the world, the British Library is pre-eminent. It makes a vital contribution to this nation's economy and to its intellectual and cultural well-being through its support for research, innovation, enterprise and creativity.

## The digital challenge

I view engagement with the digital age as the most important of the challenges that the Library will face during my four-year term as Chairman. Technological developments are revolutionising the way that knowledge is created, transmitted, recorded and accessed. It is a whole new world that we are embracing. If we are not wholehearted in our engagement, we will cease to be relevant.

My first priority as Chairman was to set about the task of refreshing the membership of the Board and to initiate the public appointment process to fill five vacancies in membership. The process we adopted reflected my determination both to ensure an appropriate diversity of

candidature and also to secure the specific skill-sets we need on the Board if the Library is to deliver maximum public value over the coming years. The five new Board members took up their appointments on 1 April 2007.

## Support for our 'paradise on earth'

As this Annual Report was being compiled, the outcome of the Government's Comprehensive Spending Review 2007 was still awaited. The constrained fiscal outlook has raised serious concerns about an uncertain and potentially difficult funding settlement for the Library for the years 2008–2011. We are working with the Department for Culture, Media and Sport to assist them in making the best case for the British Library in the spending review. It has been immensely heart-warming in this context to see the breadth of media and public support for the Library. Sam Leith writing in the *Daily Telegraph* summed up the feelings of many: 'The British Library is an absolute paradise on earth. It is warm, clean, comfortable, accommodating and quiet... what it is supposed to do, it does – and does so brilliantly it could make you weep.'


We would like to thank all of our donors to the *Sacred* exhibition who have worked with us over the last year on plans and preparations for this important project on Judaism, Christianity and Islam, especially Coexist Foundation, the Moroccan British Society and the Saint Catherine Foundation. We also remain most grateful to the many generous donors and grant-makers to the British Library Centre for Conservation – without your support, we would not have achieved the completion of this wonderful new facility to preserve our written and recorded heritage.

In addition, I thank The Folio Society for enhancing our gallery space. I would also like to thank those who have supported our appeals for acquiring heritage materials, in particular the National Heritage Memorial Fund for their support for the purchase of the Coleridge Family Archive, as well as the Heritage Lottery Fund and the Art Fund and others for their help with the Raffles Family Collection. On behalf of the Board, I would like to express my gratitude and warmest wishes to all of our donors and supporters for their help with these and many other initiatives which serve to sustain and enhance the Library's rich and diverse programme, making it the world-class institution it is today.

## Cultural diplomacy and the Iraq diaries

During the year the Library was one of the six commissioning institutions of the Demos report *Cultural Diplomacy* which concluded that cultural diplomacy has a critical role to play in international relations. The British Library's collections contain the intellectual DNA of civilisation and we are committed to serious international engagement at all levels. This engagement takes many forms but, if pressed, I would this year single out our work with the Iraq National Library and Archive. Who could fail to be moved by the diary blog of its Director, Dr Saad Eskander, which we have hosted on our website?

The British Library is truly and emphatically a library for the world.



# The Library's success owes much to our talented and committed staff.

## Hitting targets

The Library has had an extremely successful year across the full range of our activities. We have hit or exceeded every important target. This success has only been possible through the enormous commitment, energy and innovation shown by colleagues – I am deeply grateful and continually impressed.

We have completed the construction of our new Centre for Conservation which provides a world-leading facility for book conservation and state of the art technical facilities for the preservation of our recorded sound collection.

The Library's media and public profile has been consistently high and positive. Our distinctive exhibitions, and wider public and education programmes, showcase our great collections and have attracted ever greater numbers of visitors to St Pancras, and also to our website.

We have been fortunate to make a number of significant acquisitions for the Library's collection over the past year. Amongst these was the gift of the Fox Talbot Collection, an extensive archive of photographs, correspondence, manuscripts and research notes from the pioneer of photography, William Fox Talbot.

As we move into the final year of our current three-year strategy, we are addressing continuing and new strategic challenges and we will be sharing our new plan publicly next year.

## Digital initiatives

The British Library has been quick to harness the power of new technologies to open up access to the collection. The pace of change in the digital environment – digital publishing, Web 2.0, technological options and new service models – continues to increase.

We continue to add rich content of wide interest to our website and we are particularly proud this year of our new offerings for education. We have

made early but purposeful steps into the world of social computing and Web 2.0, building online features to run in parallel to our exhibitions, and seeking new ways to build interactions with our specialist research communities, allowing the Library to engage with researchers across the world.

This year has seen the Library actively engaged in the policy debate on intellectual property and copyright. We launched our IP Manifesto in the autumn, setting out our view of the role of copyright and IP in the digital age, seeking a sensitive balance between reward for creators and access in the public interest. Sustaining this balance as content goes digital is critical for future research activity and innovation.

We contributed to the Gowers Review of IP which published its findings in December. We supported many of the Review's recommendations, in particular changes to enable library copying for preservation purposes to cover all forms of content. We were however disappointed that there were not more specific proposals on 'fair dealing' and its interpretation in the digital age.

## Partnerships

In a new partnership project between ourselves, the University of Manchester and the European Bioinformatics Institute and financed by nine UK research funders, this year has seen us set up UK PubMed Central, an online service to provide open access to peer-reviewed research papers in the medical and life sciences. This is a key part of our developing science strategy.

We continue to deepen our relationship with higher education and research libraries. We announced a series of commitments to take forward our content strategy, following consultation with stakeholders, and began a collaboration with university libraries to enable a more systematic national approach to collection management, enabling libraries both to save space and to benefit from the service

delivery structures of the Library. We are working well with JISC as a strategic partner and appreciate their support for making our collections more accessible through digitisation.

## Newspaper strategy

The British Library holds the finest newspaper collection in the world, with titles dating back to 1513, and it is consulted by over 30,000 people every year. We receive a copy of every issue of UK newspapers (local, regional and national) and magazines through legal deposit arrangements, bringing in 13,000 issues every month.

Unfortunately, newspapers deteriorate quickly, and there are growing concerns about the fragility of our collection. We are planning to move the material from its current home in Colindale to a new storage facility at Boston Spa that will provide improved preservation facilities. The moves will be phased over the next few years, and digital and microfilm access to the collection will be provided at St Pancras.

## The contribution of colleagues

Over the past year we have welcomed two new colleagues to the Executive Team. Phil Spence joined the Library as Director of Operations and Services, and Ronald Milne as Director of Scholarship and Collections. Both bring with them a wealth of experience, and are already making a significant contribution to the life of the Library. Dr Clive Field retired after a distinguished career in academic libraries and the British Library.

The Library's success owes much to our talented and committed staff. I am proud of them all. We will continue to strive to support them and provide opportunities for recruiting and retaining the very best people so that we can sustain our great library and its service to the nation and beyond.





# Lynne Brindley, Chief Executive



# MY LIBRARY

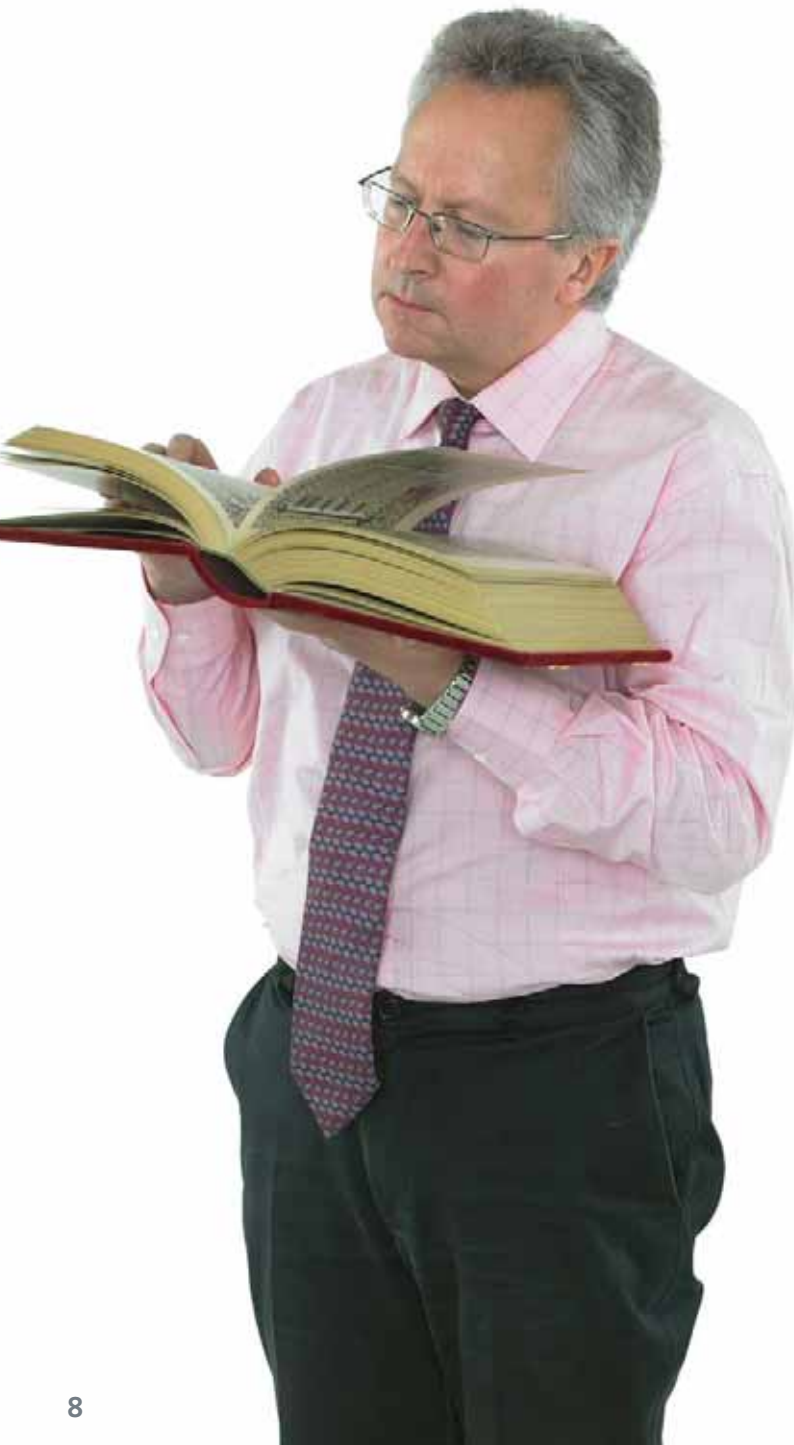
REVIEW OF THE YEAR

## Scholarship and research

The tradition of support for scholarship is at the heart of the Library's mission. We have been reviewing our collecting policy so that we can guarantee that support in the future. We have carried out an extensive consultation with our stakeholders throughout the research community on the scale and scope of material we need to collect and connect to in the future. There was a high level of engagement and comment on our plans, and enthusiasm for our collaborative approach.

That the Library has an exceptionally rich humanities collection is universally acknowledged; there is, however, far less awareness of the great strength of our social science holdings. We are focusing on deriving greater value from this major collection. We will establish the Library as a highly resourced facility that brings together social science researchers, practitioners and policymakers with the purpose of encouraging the exchange of ideas and experience.

Collaboration with our key research stakeholders at a strategic level is critically important for the national information economy. The Library's higher education team has been working closely with colleagues in the research sectors to define our strategic goals. Chief among these are the requirement that the Library remain relevant to the evolving needs of postgraduates, and that our products and services continue to develop in ways that meet their changing expectations.



### Our future collecting strategy

The British Library's content strategy – *Meeting the Knowledge Needs of the Nation* outlined our proposals for what information resources we should collect and connect to in future, in order to meet the needs of UK research.

'It is extremely encouraging that the British Library is engaging in such a thorough consultation exercise on this crucial issue', said Professor Michael Worton, Vice Provost of University College London.

Responses came from most research disciplines served by the Library and gave us an insight into areas of support and concern.

There was particular support for greater focus on materials from China, India and anglophone Africa.

### Free access to ESTC

'A matchless resource', said Professor David McKitterick of Cambridge University about the new web-access English Short Title Catalogue (ESTC). The catalogue lists all books – some 500,000 – printed in the British Isles, and in English anywhere in the world, up to 1800. It also lists the locations of known copies in 2,000 libraries, archives and collections worldwide.

Neil Wilson and Moira Goff (below) managed the complex task of mounting the database on the Library's website. Moira says, 'ESTC has been a costly subscription service for two decades. Now we've created a free web service, opening up this "matchless resource" to researchers and an increasingly wide public interest.'



### Higher Education partnerships

The Library's HE Team have been working with colleagues in the higher education sector to develop a strategic plan linked to anticipated research needs.

A key project is the UK Research Reserve, a partnership that will create a shared national resource, and result in opportunity savings for the sector.

Working with the British Library, Imperial College is leading five university research libraries in the pilot phase – Birmingham, Cardiff, Liverpool, Southampton and St Andrews. Duplicate copies of important but lower-use research journals are being identified. Material not already held by the document supply service is being transferred to the British Library. This amounts so far to less than 3% of the journals in question.

### Archival sound online

From African radio drama to Germaine Greer discussing free will, the new online Archival Sound Recordings are a fascinating teaching resource comprising music, soundscapes and the spoken word.

Developed in association with JISC (Joint Information Systems Committee), the archive is an ongoing project to promote and provide digital audio content for teachers, researchers and students in higher and further education.

Memories of the British jazz scene, the sounds of Dartmoor (below), interviews with British artists – all can be found in the collection of over 12,000 recordings.



### Stamps and national identity

Harcourt Fuller (below) is a PhD Research Student at the London School of Economics. He is researching ways in which post-independence Ghana created its own identity, distinct from its colonial past.

The official iconography of postage stamps and currency have provided a fruitful avenue of research, showing ways in which the emerging nation pictured itself. He was guided to the material by the Library's specialist curators who have, Harcourt says, 'tremendous philatelic and historical knowledge'.

Harcourt's research demonstrates how the scope of the Library's Commonwealth collection enables researchers to access defining moments in the histories of nations. Our resources allow important stories from our collective past to be told.





# MY LIBRARY

REVIEW OF THE YEAR

## Science and digital initiatives

Academic, commercial and not-for-profit research is a primary driver of economic growth. The research process in the industrialised world is becoming increasingly dependent on digital information, communications and technology. The Library underpins advances in research and the transfer of knowledge by enabling access to current research and guaranteeing that future generations will continue to be able to use this digital information.

We are working with the Research Councils, JISC and the Research Information Network (RIN) to play our part in supporting the development of a national e-infrastructure for the research community.

An example of this collaboration is a service to biomedical researchers called UK PubMed Central (UKPMC), a free digital archive of biomedical and life sciences journal literature. Launched with our partners in January 2007, UKPMC provides a stable, permanent online digital archive of full-text, peer-reviewed research publications.

With an increasing amount of content available in digital form – sometimes as digital copies of physical originals but increasingly material that is born digital – a key strategic programme for the Library is to put in place the processes and systems to manage this material. The Digital Object Management programme is the result: an ongoing set of integrated projects which will provide the infrastructure that underpins UK digital research.



## Open access to medical research

UK PubMed Central (UKPMC) promotes free access to peer-reviewed research papers in the medical and life sciences. A partnership of the British Library, University of Manchester and the European Bioinformatics Institute, UKPMC is funded by a nine-strong body of governmental and charitable organisations led by the Wellcome Trust.

UKPMC ensures that papers resulting from research paid for by members of the funding consortium are freely available, fully searchable and extensively linked to related online resources.

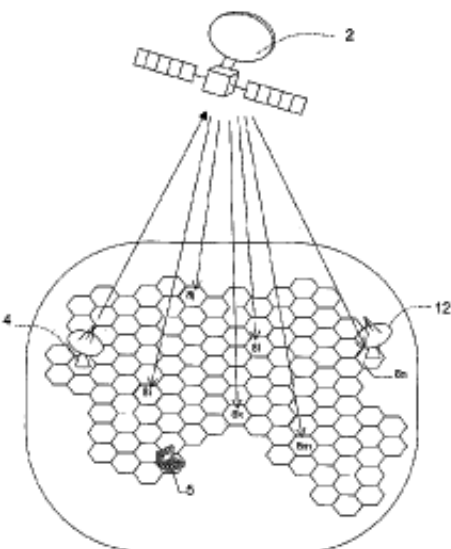
Director of the Library's eIS section, Richard Boulderstone, said, 'We are delighted to have been chosen to set up and manage UK PubMed Central. It will offer a sophisticated and exciting communication forum for biomedical researchers.'

## IP rights in the digital age

Launched at the autumn Party Conferences, our Intellectual Property (IP) Manifesto set out recommendations for the future of this contentious issue.

Encompassing digital rights, archiving, copyright, orphan and unpublished works, the Manifesto seeks to strike the right balance between protection and access. We argue that the fair dealing rights enshrined in print should have an equivalent in the digital field in order to foster enterprise and secure an innovative and buoyant knowledge economy.

The IP Manifesto sets out the role that the national library should play as a leading voice and honest broker in the debate that the e-revolution has generated.



## Speeding up science

'It is time to make the science offerings of all nations searchable in one global gateway. Our goal is to speed up the sharing of knowledge on a global scale. As a result, we believe that science itself will speed up.'

These words from Dr Raymond L Orbach, Under Secretary for Science of the US Department of Energy, on the launch of Science.world, a new online collaboration with the British Library. Science.world will open up access to publicly-funded, research-level scientific information from each partner nation, and is modelled on science.gov, the US interagency science portal.



It is estimated that, within EU member countries, information conservatively valued at around €3 billion is housed in endangered formats generated by outdated software packages. The Planets Project has been set up to address this problem. It will deliver a sustainable framework that will enable public and private sector organisations to preserve their digital material over the long term.

Planets (Preservation and Long-term Access through NETworked Services) is a four year, €14 million project, co-funded through the EU's Information Society Technologies R&D Programme. The British Library leads the consortium of 16 European partners which includes libraries, archives, universities and commercial organisations.

## Building the UK's digital library

The Digital Object Management programme (DOM) is building the infrastructure to support the UK digital research environment.

We have signed a Memorandum of Understanding with the National Library of Wales (NLW). This formalises our co-operation in developing a shared technical infrastructure to manage UK electronic Legal Deposit materials. This agreement with NLW will make the DOM Storage Service more resilient by creating additional redundancy in the overall DOM technical infrastructure.

Development of this Storage Service has included the migration to DOM storage units of all e-publications received under the voluntary deposit programme. It also covers the ingest (or intake) and use of Sound Archive master files.

## Searching all media

A long-held ambition was realised this year: to make details of the richness and diversity of the Library's collections accessible in the single sweep of a search term.

The search box is now centre-stage on our home page: a word entered in it – for example, 'badger' – will take you to image files, from medieval manuscripts to Victorian lithographs; sound files of badger calls and oral histories of badger baiting; and relevant books from holdings of some 13 million. The results also cite the latest research papers on badger tuberculosis and public reactions to culling proposals, from among 20 million articles on our British Library Direct service.

http://entrypoint.bl.uk/Results.aspx?query=badger&Web=True&ILS=True&CB=True&BL

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**THE BRITISH LIBRARY**  
The world's knowledge  
We hold over 13 million books, 920,000 journal and newspaper titles, 57 million patents, 3 million sound recordings, and so much more. Start exploring here.

SEARCH badger

British Library web pages, first 10,000 pages of 10,000 pages on

Collect Britain, first 3 out of 7 results

Home > Search results

Your search for 'badger' returned about **1,788** results

British Library website, first 5 out of 25 results

Collect Britain, first 3 out of 7 results

More results may be available through [advanced searching](#) or in our [other services](#)

# MY LIBRARY

REVIEW OF THE YEAR

## Safeguarding your collection



The Library helps keep the nation's memory on your behalf. We hold just about every British publication, safeguarding the record of ideas that each generation builds on. Our new Centre for Conservation symbolises this commitment. Completed to budget and operational before the year end, the Centre is set to be a world-leading focus for scientific applications and craft techniques in the conservation of the written word and recorded sound.

Careful stewardship of the national collection demands rigorous control of the storage environment; if temperature and humidity are correct, books will last for centuries. The conditions in the new high-density store nearing completion at Boston Spa meet the most exacting international standards, and the fully-automated low-oxygen building will provide about 260km of additional shelving.

Older storage buildings have not provided the same level of collection care; the newspaper collection at Colindale is held in poor environmental conditions over which we have little control. Our concerns about long-term storage and access to the collection have prompted a radical reappraisal. Our recently released newspaper strategy proposes the closure of the Colindale building and the transfer of services. Our intention is to provide access to digital and microfilmed newspapers at St Pancras.



### Centre for Conservation completed

This spring 60 staff moved into their new home, the 2,600 square metre British Library Centre for Conservation (right), to the rear of the St Pancras building. Completed to deadline and to budget with a construction cost of £13.25 million, the Centre brings together staff and facilities covering conservation of recorded sound as well as all aspects of the book.

The Centre will provide public access to conservators at work, and will be the focus of international training and events to raise the profile of conservation practice.

The building has been designed by M J Long and Rolf Kentish. It is a state of the art facility that perfectly complements the Library's existing building, designed by M J Long's late husband, Sir Colin St John Wilson.



### Building for the future

Progress on our new storage building at Boston Spa is on schedule. The main contractor, Allenbuild North East Ltd., will complete the superstructure in autumn 2007. FKI Logistex will then install the 21-metre high racking and the fully-automated storage and retrieval system.

The low-oxygen, high-density unit will be the largest and most technologically advanced library facility in the world, providing about 260km of storage for some seven million items. The building will ensure that more of our collection is stored in compliance with the rigorous national standard for archiving documents, BS5454:2000.

### Newspaper strategy

Newspapers record the incidents, large and small, that daily shape our lives. They are a rich research source, an archive of popular interest, used by 30,000 researchers each year consulting 200,000 issues.

Storing this resource is a challenge. Newspapers are printed on poor quality paper and 30% of the collection is almost beyond use. The 48km of shelving at Colindale is now full. There is no scope for expansion, yet 13,000 new issues arrive each month.

The newspaper strategy, which is dependent upon funding, is to leave the Colindale site by 2012 and provide access to digital and microfilmed newspapers at St Pancras. Integration with other research resources will be a benefit to researchers. Hard copies will be stored at Boston Spa.

### Manuscripts matter

Celebrating modern literary archives as a rich and vibrant resource for research and teaching, Manuscripts Matter was a two day conference organised by the UK Literary Heritage Working Group in partnership with the British Library. Chaired by Lord Smith of Finsbury, participants included Andrew Motion, Poet Laureate (below), Mark Le Fanu, chairman of the Society of Authors and prize-winning author A S Byatt. 125 representatives from collecting institutions, authors, funders and dealers considered the future of collecting and disseminating these valuable resources.

'Manuscripts take us right to the heart of the matter, into the engine room', said Andrew Motion. 'Manuscripts matter', he said, and, if they are to be used effectively, 'where they are kept matters as well.'



# MY LIBRARY

REVIEW OF THE YEAR

## Face-to-face

The Library's success as a visitor destination was confirmed this year as visits in 2006/07 topped our target by 16%. Popular exhibitions like *Front Page: Celebrating 100 Years of the British Newspaper* attracted a substantial audience, 20% of which was from the 16–24 demographic, a significant change on previous shows. *London: A Life in Maps* was one of *The Times'* Top Five exhibitions and BBC Radio 4's *Today* programme featured interviews with London cab drivers at a special exhibition preview.

The public areas of St Pancras are buzzing – whether it's top band *The Feeling* playing on the Piazza to help launch Microsoft's Vista, or *50 Years of the Album Charts* playing in the Entrance Hall. Local residents and office workers stop by for lunch or to catch a concert or event like the Black History Month discussions or the sell-out Poetry Hours. These readings are organised by the writer Josephine Hart and feature readers of the calibre of Ralph Fiennes, Roger Moore, Juliet Stevenson, Harold Pinter and Bob Geldof.

The Library has become a hub of activity as the surrounding area is extensively redeveloped, heralding the opening of the Eurostar terminus later this year. Regent Quarter will become an important arrival point for the 2012 Olympics, and the Library is the perfectly sited public space to showcase the ideas of contemporary Britain in all their diversity.





### Newspaper centenary

Opened by HM The Queen, *Front Page: Celebrating 100 Years of the British Newspaper* commemorated the centenary of the Newspaper Publishers Association.

Visitors could view memorable front covers and create their own in the interactive newsroom. The newsroom activities helped to make this our most popular schools' programme to date. Over 1,200 students from Key Stages Two to Five attended free workshops given by the Learning team, supported by downloadable materials for classroom study.

A competition gave budding designers, journalists and photographers the chance to win a week's work placement. Winners joined staff on the *Evening Standard*, *Telegraph*, *Express*, *Guardian* and *Mirror*.



### London: A Life in Maps

*London: A Life in Maps* traced 2,000 years of the city's development. A fusion of traditional display and digital innovation, it proved our most popular exhibition to date. Visitors particularly enjoyed the video montages based on the Knowledge, the exams taken by London taxidriver, with sound-tracks of ambient noise and cabbies' commentaries.

Favourite exhibits included a gold penny from Londonwic (810 AD), Hollar's map of the Great Fire (1666) and German bombing maps (1940). A number of maps were converted into a Google Earth layer, giving visitors the chance to compare the past and present of the city.

### 50 Years of the Album Charts

790 number one albums, 10,000 tracks, 300,000 plays – *Pop Goes the Library: 50 Years of the Album Charts* documented the changing musical tastes of the nation.

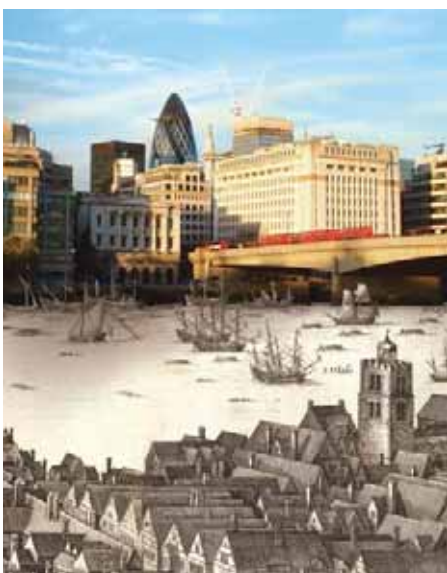
The exhibition opened in July 2006 in our new interactive area for digital media. It marked 50 years since *Songs for Swingin' Lovers* by Frank Sinatra topped the UK's first LP chart, through to download pioneers Arctic Monkeys.

A poll of MPs conducted by the Library revealed that Led Zeppelin II was the number one of number ones – 'Whole Lotta Love is the greatest rock song ever' said Lembit Opik MP.

### The Blake experience

We celebrated the 250th anniversary of William Blake's birth by digitising his notebook for our gallery and website using our Turning the Pages™ system. Blake recorded sketches and draft poems in the notebook, including *The Tyger* and *London*. The notebook was the centrepiece of a tribute exhibition, *Under the Influence*.

In recognition of Blake's profound and continuing influence, the exhibition included unique items from some of those he inspired. Philip Pullman lent part of the manuscript of *The Amber Spyglass*, Tracy Chevalier lent one of her *Burning Bright* notebooks and Patti Smith donated the manuscript of her song *My Blakean Year*.



# MY LIBRARY

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## Reaching out

Making contact with new audiences is vital for institutions that pride themselves on staying relevant in changing times. We explore innovative ways to engage people who may not realise what the Library can offer them, frequently working with partners to expand our offering and extend our reach. Such initiatives have become standard practice, part of the mindset of the organisation.

In our Business & IP Centre, for example, we have exceeded the London Development Agency's funding targets for business advice sessions by more than 100%. We've attracted diverse audiences to events that have featured role-model entrepreneurs such as Tim Campbell from *The Apprentice*, Lord Bilimoria, creator of Cobra Beer and John Bird, founder of *The Big Issue*.

Bill Gates' launch of the new Vista software at the Library in January 2007 was a defining moment for us, uniting the opportunities of new technology with the public interest that Leonardo da Vinci invariably draws.

From this ground-breaking work with Microsoft came a generous sponsorship initiative with UK public libraries and the Society of Chief Librarians. This gives people across the UK the chance to nominate local masterpieces in print or manuscript that should be mounted on Turning the Pages for wider enjoyment.





### Successful business events

Tickets for the Business and IP Centre's *Inspiring Entrepreneurs* series are becoming so popular they change hands on eBay. Sponsored by HSBC, topics like the Rise of the Black British Entrepreneur, the Asian Advantage and Ethical Entrepreneurs give a new, enterprising audience inspiration and advice. Webcasts and podcasts of events help share the knowledge and experience of prominent businesspeople such as James Brown, founding editor of *Loaded*, Wilfred Emmanuel-Jones, of *Black Farmer*® fame, and Lord Bilimoria (right), creator of Cobra Beer.

The Centre offers a daily programme of workshops providing targeted, in-depth information and advice, as well as free access to high-value subscription databases, market research reports, journals and directories.



### Microsoft Vista launched

In January 2007 Bill Gates came to the Library for the launch of Microsoft's new Vista software. The launch was symbolised to the world's press when he joined our Chief Executive onstage to signal the virtual reunification of his Leonardo notebook, *Codex Leicester*, with our own, *Codex Arundel*, as Turning the Pages digital facsimiles.

This was the first opportunity for people to view these great manuscripts of Renaissance science together since they left Leonardo's workshop. The result was a surge of interest on our website, videos on YouTube and comments such as 'Turning the Pages is the reason why every household should have a computer!'

### Regional initiatives

Our new BL Champions scheme is helping us develop stronger links with public libraries. New professionals from public libraries come along to St Pancras for the day to discover how people can make best use of the national library. The Champions explore our exhibitions, get an insight into our Reading Rooms and hear about our services.

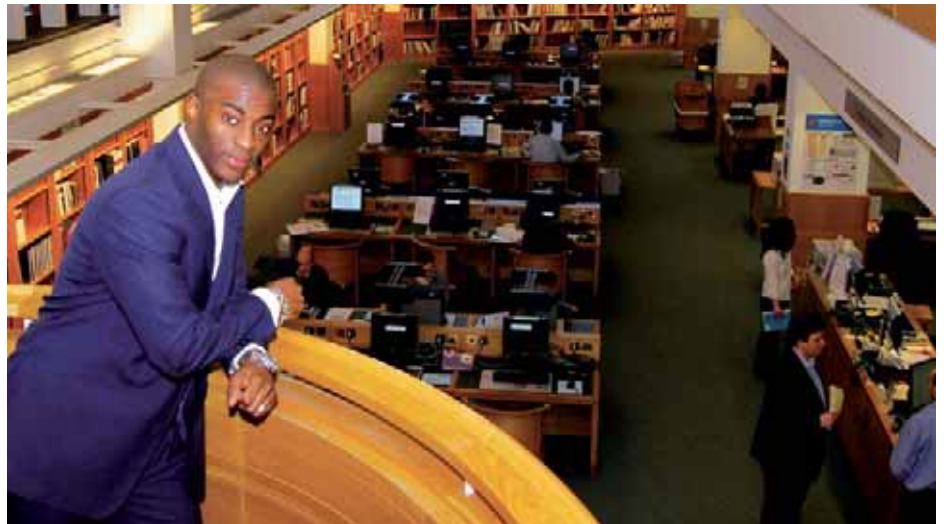
Back home, Champions are encouraged to share their new knowledge with their peers and members of the public. They also feed back to us their experiences of front line services. The scheme has established a good relationship with an important user group, who work with us to tailor services more effectively to public libraries.

### Tim Campbell at the Library

Tim Campbell, (below) winner of the BBC's first *Apprentice* series, has been using the Business & IP Centre to research his new enterprise. Using the Library, Tim says, 'gives me the confidence that I have access to the same data as the big players'.

We were delighted when he agreed to front a new video for us. *From Bones to Bytes* is a short, engaging introduction to the services we provide for everyone.

YouTube features the video and it's being distributed to all public libraries in the UK so they can give copies to everyone who's interested. It also gives librarians the background they need when recommending our services to their users.



# MYLIBRARY

REVIEW OF THE YEAR

## Leading on learning



Innovation and inspiration are central to the Library's support for schools, teachers and lifelong learners in the UK. Through our Learning Team we help students develop new skills for learning and research and provide teachers with resources that stimulate new ways of teaching.

The Learning Team also supports curriculum innovation by pioneering the use of new types of source material in education and by providing professional development opportunities for teachers.

During the year over 10,000 students took part in our face-to-face educational sessions – a figure 35% above our Funding Agreement target. A further 340,000 visited our Learning website – 70% above target. Highlights of the year included:

- running workshops for Sixth Form and Further Education Media Studies students to accompany the *Front Page* exhibition
- launching a major Citizenship project, in partnership with schools and museums in Yorkshire, exploring the campaign for the Abolition of the Slave Trade
- working with youth and community groups in London to encourage deeper understanding of the complexity of cultural identity
- helping students from North London to co-curate an exhibit in *London: A Life in Maps*.



### Sounds Familiar?

Haps you'd like to record yourself having a *blether* with a friend?

The hugely popular Sounds Familiar website, supporting A-Level English Language accent and dialect study, makes it possible to explore the vocabulary, grammar and sounds of spoken English. UK schools can upload their own voice recordings to the site to create a living archive of contemporary speech, while case studies on Received Pronunciation, Geordie dialect and minority ethnic English allow close academic analysis of the diverse voices of the UK.



### Histories of the Slave Trade

To mark the bicentenary of the abolition of the British slave trade we held a day of talks, performances and debates hosted by BBC London presenter Dotun Adebayo. The event covered both the wider historical context of abolition and the legacies of slavery for contemporary Britons. Speakers included Dr Hakim Adi of Middlesex University, lawyer Peter Herbert and *Guardian* writer Joseph Harker.

A special exhibition mounted in the galleries and online included the 1789 first edition of *The Interesting Narrative of the Life of Olaudah Equiano* and the 1787 minute book and membership list of the Committee for the Abolition of the Slave Trade. An accompanying workshop was available for schools and community groups.

### Student visits

In 2006/07 a record number of students – 10,127 in all – attended our educational workshops, projects, events and study days. Students from City & Islington Sixth Form College, for example, came along for sessions on English literature, critical thinking skills and dialect study.

Melissa Marsh, a teacher at the college, comments: 'The Library can be used in unexpected ways to foster learning. The sheer size of the collection forces students to think about research and information literacy skills, while the exhibition galleries help them to see books as artefacts with specific historical and cultural contexts.'

### Online curriculum support

'This is the web at its most enlightening', wrote Children's Laureate Michael Morpurgo on the launch of our new Learning website.

A single online destination with resources and activities for teachers and students, the website supports the curriculum in key subject areas for 14–19 year olds such as English Language and Literature, History, Citizenship, Religious Education, Media Studies and Art and Design.

The site promotes the excitement of research through carefully chosen sources and interactive activities.



# Strategic priorities

## PROGRESS AGAINST 2006/07 COMMITMENTS AND REPORT ON FUNDING AGREEMENT PROJECTS

Since publishing REDEFINING THE LIBRARY: the British Library's strategy 2005–2008, we have set out our action plans for the coming year in the Annual Report. Each year we also report our progress on these plans.

### 1

#### Enrich the user's experience

**Create a new Reader Registration office, supported by an integrated Welcome Team of specialist customer service staff.** We opened the new office at St Pancras in May 2006 and launched a new online Reader Registration system in October 2006. We completed a programme of improved communications, featuring new icon signage to help familiarise new Readers with Reading Room practices. We improved building signage, leaflets, information screens and the Reader Bulletin and also created a new e-Bulletin. A programme of training and development for staff was completed in March 2007.

**Generate awareness and usage of the Business & IP Centre.** Since the launch in March 2006, we have exceeded all funding targets set by the London Development Agency. By the year end, we had delivered over 3,000 one-to-one advice sessions, over 100% above the full year's target. Of these, 37% were with people from ethnic minorities, against a target of 29%; 55% were to women against a target of 33%; 4% were to disabled people against a stretched target of 5%.

#### **Hold major temporary exhibitions.**

*Front Page*, featuring 100 years of historic headlines, was opened by HM The Queen in May 2006. The show attracted a younger visitor demographic, with 19% of visitors aged between 16 and 24. Our second major exhibition, *London: A Life in Maps* ran from November 2006 to March 2007 and topped all previous records for exhibition numbers with over 131,000 visitors attending. These two exhibitions, together with many sell-out public events, attracted 510,000 visitors. We exceeded the year's public visitor target by 16%.

#### **Conduct feasibility study on the option of transferring researchers' access to newspapers from Colindale to St Pancras.**

The study confirmed the viability of transferring access and the Board confirmed the approach as a key element of our treatment of newspapers in the long term. A new migration plan was developed for implementation of the newspaper strategy. This widens the focus beyond access, to look at all aspects of the Library's newspaper collection. Work has started on achieving outline and full Treasury standard business cases for the implementation.

#### **Offer support to public libraries.**

In partnership with Libraries and Information East Midlands and CILIP East Midlands, we have developed a pilot regional bursary scheme to enable librarians from the region to undertake research at the Library into topics of regional relevance. One award has been made to date, a second has been approved. A similar scheme has also been launched in partnership with the London Libraries Development Agency. We are also running a series of Champions events at St Pancras, in which colleagues from UK public libraries are given a tour of the building and a briefing about British Library services available to their users. In turn, they are able to share their experiences with us so that we can tailor services appropriately. Four successful events were held in 2006/07.

# Strategic priorities

## PROGRESS AGAINST 2006/07 COMMITMENTS AND REPORT ON FUNDING AGREEMENT PROJECTS

### 2

#### Build the digital research environment

**Develop enhanced functionality of the digital library.** Tessella Support Services was awarded a contract for the e-journal ingest and metadata management modules of the Library's Digital Object Management system. Tessella subsequently developed a functional specification for these modules and delivered Releases 1 and 2 on time.

**Complete the archival sound and newspaper digitisation projects.** The public launch of the Archival Sound Recordings website took place in September 2006. Funded by JISC, it provides access to 3,900 hours of digitised recordings for the benefit of the higher education community. Workshops are running to explore how the service is being used and how materials can be embedded in teaching, learning and research. However, there have been delays to the newspaper project as a result of poor performance by the digitisation company, which affected several of their major customers. Production of the digitised images was finally completed by the year end. Launch of the full service has been put back to 2007/08.

#### **Implement web archiving initiatives.**

A national strategy for web archiving is under development with the UK Web Archiving Consortium. By the end of March 2007, 1,613 instances of websites had been archived, 61% ahead of our internal target. The Web Curator Tool, which the Library has been working on with the International Internet Preservation Consortium, has been launched and tested. This will provide a new infrastructure for more substantial web archiving in the future. We are developing an automated smart crawler in partnership with the Internet Archive, the Library of Congress and the Bibliothèque nationale de France, and have signed up to the Automated Content Access Protocol publisher project, which will enable automated targeting and capture of eligible sites as part of the crawling process.

**Lead development of the EC funded PLANETS project (Preservation Planning and Networked Services).** The programme will ensure long-term access to Europe's digital intellectual heritage. It addresses the challenges of digital preservation and will develop a sustainable framework to enable long-term preservation of digital text and images, digital audio and dynamic data sets. All staff and technical resource for the project are in place and the inaugural meeting involving the 70-strong international project team has been held. Development work on the first iteration of software components is under way.

**Digitise content from 100,000 books in the Library's collection through the Microsoft funded project.** We're planning to digitise 25 million pages of out of copyright books, and have completed a trial programme. As a result, we've contracted a new scanning partner for a further pilot. This has been successful and full production is starting in July/August 2007. Microsoft has released a beta version of some 140 books digitised as part of the trial.

**Develop the Digital Object Management (DOM) system to manage the legal deposit libraries receipt of e-journals.** The Library has signed an agreement with the National Library of Wales (NLW) on the use of the DOM framework for the distribution of, and access to, e-journal items received through legal deposit. The university libraries of Oxford and Cambridge will share the Library's infrastructure and the National Library of Scotland will develop its own independent infrastructure. Tessella Support Services are working with NLW to define the specific requirements for ingest and metadata management.

**Engage with the Office of Science and Innovation (OSI) to explore a national e-infrastructure for information to support UK research.** The OSI work was broken down into six strands and the Library participated in four: digital preservation, search and navigation, virtual research communities and data creation. OSI compiled a final report to which the Library has drafted a supportive response urging action. We will send our response to the DCMS, the Interdepartmental Panel, OSI and the research councils.

**Participate in reviews of Intellectual Property (IP) and copyright.** The British Library IP Manifesto was launched at the autumn Party Conferences where we hosted events with industry and political audiences. The media response to the manifesto was very positive in the mainstream and specialist media and we gained particular recognition for our analysis of issues around length of copyright term for sound. The Library welcomed the Gowers Review of Intellectual Property. In particular we are pleased that the argument around preservation exceptions and orphan works has been accepted, although we would like further clarification of fair dealing exceptions in a digital world. The IP Board are now planning how best to ensure we are active players in the next stage of policy-making.

# Strategic priorities

## PROGRESS AGAINST 2006/07 COMMITMENTS AND REPORT ON FUNDING AGREEMENT PROJECTS

### 3

#### Transform search and navigation

**Make the Library's archives and manuscripts catalogues available via the Integrated Catalogue.** The pilot project on archives and manuscripts records was completed on schedule but has indicated that integration of these records into the Integrated Catalogue is not practical. Alternative solutions are being assessed to provide improved access to the Library's archives and manuscripts records.

**Transfer the English Short Title Catalogue (ESTC) from the USA to the Library.** We successfully transferred half a million records, covering almost every book printed in English prior to 1800. The catalogue represents the extensive British Library holdings and those of over 2,000 libraries around the world. ESTC has been freely available on the Library's website since October 2006.

**Work with a range of external product vendors and suppliers to explore new methods of performing resource discovery.** The Library's Single Entry Point went live at [www.bl.uk](http://www.bl.uk) early in 2007. This allows the Library's website, catalogues and services to be searched in a single sweep, and displays the different types of results in a clear and manageable way. A pilot to test the addition of non-traditional data to the online catalogue (e.g. book jacket images and reviews) was successfully completed. As promising solutions emerge across the market, we are reviewing the full range of opportunities on offer.

### 4

#### Grow and manage the national collection

**Begin construction of the Additional Storage Programme at Boston Spa.** The construction contract was awarded to Allenbuild North East and the contract for construction and installation of the automated storage and retrieval system to FKI Logistex. Allenbuild have completed bulk excavation, ground preparation, main repository steelwork and external vertical cladding on schedule. FKI are progressing container, racking, loadhandler and Warehouse Management Control System (WMCS) design and prototyping. Collection preparation continues on schedule.

**Complete construction of the Centre for Conservation.** Construction and occupation were completed on time and to budget. Staff and services moved from Bloomsbury, Micawber Street and within St Pancras, and the Conservation and Sound Archive studios began work on schedule. The bindery at the British Museum was finally vacated and returned to the BM by the lease expiry date. The Conservation Foundation Degree has been validated by the University of the Arts and we are assisting with the promotion of the course. The main opening event took place in May 2007.

**Launch public consultation on the Library's content strategy.** Between April and July 2006, the Library sought the views of stakeholders in research, higher education and the library world in order to refine our content strategy for the arts and humanities and social sciences. We received strong endorsement for the strategy through the 140 responses received and we made our summary report of responses available online. We have committed to taking the strategy forward in 2007/08.

### 5

#### Develop our people

**Develop and implement the Library's diversity strategy.** We have developed a corporate action plan which looks at diversity in respect of: the Library's collection/content, access to services, corporate training schemes that promote diversity awareness, workforce development, and communication to reach new and more diverse audiences. We designed and delivered a Disability Equality Scheme with involvement from people with disabilities, from employees, key stakeholders and those who provide support services for them. We reviewed and developed a range of policies to underpin the Age Discrimination in Employment Legislation. This was supported by a proactive communication campaign for all staff.

**Develop an integrated talent development and succession planning framework.** The Library has held seven development centres for members of the Senior Leadership Team and a small number of other staff. Individual Executive Team development centres were concluded and an ET development day took place in January. The outcome of these initiatives will inform the identification of talent, succession planning and career development for staff across the Library.

**Continue to drive a modernised pay and reward strategy.** The 2006/07 pay award, the second year of a two-year pay deal, was agreed and, for the first time in the Library's history, incorporated into salaries at the due date. Grading guidance for posts has been developed and implemented in conjunction with the unions.

**Implement a further Library-wide colleague opinion survey to measure the Library's core values and culture.** In partnership with the Work Foundation, the Library held its second colleague opinion survey in November 2006, building on the previous survey in 2004.

The Survey received an increase of 10% response rate to 63%. Indicators showed a 60% improvement from 2004, with significant improvements in equal access to job opportunities, overall satisfaction with the Library as an employer and opportunities for development. Comparison to external benchmarks showed only nine falling short, compared to 50 in 2004.



# Strategic priorities

## PROGRESS AGAINST 2006/07 COMMITMENTS AND REPORT ON FUNDING AGREEMENT PROJECTS

### 6

#### Guarantee financial sustainability

**Strengthen the Library's financial and business planning mechanisms and maintain ongoing fundraising activity.** Revised quarterly budget reporting arrangements were put in place in 2006/07. These focus on exceptions/variations from budget and projection of estimates for the end of year results. They provide the basis for timely decision-making on actions to be taken to keep our spending against budget on track. This report also clearly distinguishes between ongoing revenue budgets, programme/one-off budgets and capital. Stronger linkages have been built into the financial and business planning processes, incorporating a clearer forward look at the financial position three years on. Fundraising for the purchase of important literary archives and the digitisation of key newspapers fell short of target, achieving £3m, against a requirement of £5m. We are pursuing alternative sources of funding.

**Develop the Library's Comprehensive Spending Review (CSR) bid 2007 for funding for 2008/11.** The Library's bid documents were submitted to DCMS and received much praise. Influencing documents were produced and distributed to key stakeholders. We received widespread and positive media coverage of our CSR messages in February 2007, which resulted in the foundation of a Supporters' Forum on the website. The Forum features over 600 messages of support.

#### **Develop a sustainable business model for the Library's document supply service.**

The Document Supply Futures Programme reported on schedule. The Report contained the outcome of the detailed modelling work undertaken on the existing operation, the key planning assumptions and potential opportunities. These were brought together into a single business model, the key risks of which were separately and explicitly analysed. Talks to staff and trade unions were well received, and the individual components of the proposed business model are each being actively progressed.

**Identify options for optimising storage and access in UK research libraries.** Following an investigation in 2005 into the growing shortage of storage space in UK research libraries, the Library and representatives of higher education libraries formed a task force to explore the feasibility of taking forward the creation of a UK storage solution. The work of the task force resulted in a successful bid to the Higher Education Funding Councils to support this approach. Phase One implementation began in January 2007 and involves the Library working with six universities to create the UK Research Reserve.

**Generate efficiencies to comply with Gershon and fund developments.** The Library's Funding Agreement target for efficiency savings in 2006/07 was £13.2m. Total efficiencies achieved were £15.9m, an over-achievement of 20%. The areas that contributed most to this over-achievement were headcount reductions across the Library and greater visitor numbers than expected in Reading Rooms and exhibitions, with no corresponding increase in the cost of provision. This represents a continuation of the considerable achievement already made.

### 7

#### Ongoing international activity

**Manage the Endangered Archives Programme.** This programme involves surveying, preserving, copying and sharing archival material recorded before modernisation and industrialisation in developing communities. Since the start of the programme in 2005/06, 45 awards have been made. The second round of awards was made in April 2006, and a third round has generated substantial interest and 53 applicants have been invited to prepare detailed submissions.

**Undertake international programmes of professional support and co-operation.** Our Funding Agreement focuses on three of the areas of the world in which we undertake programmes of co-operation. China: the collaboration agreement with the National Library of China over the International Dunhuang Project (IDP) was renewed in April 2006. Plans are well advanced for a high level visit from a delegation led by the Deputy Director of the National Library of China, in July. South Africa: there are plans for the Chief Executive to give staff talks at the National Library of South Africa to coincide with the IFLA meeting in August 2007. Initial discussions are taking place around the National Library's African Literature project. Iraq: the diary of Saad Eskander, Director of the Iraq National Library and Archive, is posted on our website. His diary describes the difficult and tragic conditions under which the National Library operates, and it generates a high level of press interest and public support. It has also provided the platform for mounting a successful appeal among UK HE libraries for social science books which will be despatched to Baghdad.

# Strategic priorities

## ACTION PLAN FOR 2007/08

### 1

#### Enrich the user's experience

- 1 Seek funding for the Library's agreed plan for the long-term preservation and storage of the Newspaper Collection and improved state of the art access at our St Pancras site.
- 2 Continue to generate awareness and increased usage of the Library's Business & IP Centre which opened in 2006.
- 3 Hold two major exhibitions at St Pancras. The first, *Sacred*, will feature the Library's world-class collection of sacred texts and will explore the Jewish, Christian and Muslim traditions. The second, *Breaking the Rules: The Avant-Garde 1900 – 1937*, will celebrate the creative revolution that shook Europe during the early decades of the 20th century.

### 2

#### Build the digital research environment

- 1 Continue to develop the digital library system to provide storage, preservation and long-term access to the digital output of the nation. Develop further the ingest component for electronic journals and install this at the National Library of Wales.
- 2 Continue to lead development of the European Commission funded PLANETS project in which national libraries and other bodies are developing a framework to enable long-term preservation of digital text, images, audio and datasets. Publish the preservation methodology and develop a test bed.
- 3 Complete extended UK Web Archiving Consortium pilot project. Continue to press for a regulation for web archiving under the Legal Deposit Libraries Act 2003 and through the Legal Deposit Advisory Panel. Develop new tools for access and smart crawling and define requirements for migration to a new and sustainable infrastructure to support web archiving.
- 4 Make significant progress towards the digitisation of content from out of copyright printed books in the Library's collection as part of a strategic partnership with Microsoft. Promote ready access to these items.
- 5 Make two million pages of 19th century British newspapers accessible on the web. Implement the second phase with the aim of delivering a further 1.1 million pages by the end of 2008/09. These digitisation projects are funded by JISC – the Joint Information Systems Committee.
- 6 Add a further 4,200 hours of audio content to the existing 3,900 hours of recordings already available to the UK learning, teaching and research communities. The JISC-funded Archival Sound Recordings project is available at [www.bl.uk/sounds](http://www.bl.uk/sounds)

### 3

#### Transform search and navigation

- 1 Implement the first phase of the Library's Resource Discovery strategy to deliver world-class search and navigation services for researchers by creating access from the Library's catalogue to 10,000 full text digital books and journals. Initiate the procurement of the next generation of search and navigation technology, including improved Web 2.0 functionality.
- 2 Contribute to the delivery of the European Commission's vision for a European Digital Library.
- 3 Develop further the English Short Title Catalogue (the international database of pre-1800 books which was made freely available to researchers on the British Library website in October 2006) as a tool for our co-operation with other libraries nationally and internationally and as an international research resource.

### 4

#### Grow and manage the national collection

- 1 Complete the superstructure of the new storage building at Boston Spa. Start the installation and testing of the automated storage and retrieval system. The new building will store about 260km of materials in controlled environmental conditions and will rationalise the location of high- and low-use materials. It will also allow the Library to relinquish leasehold storage buildings.
- 2 Open the Library's Centre for Conservation at St Pancras. This will be a centre of excellence bringing together all aspects of book and sound conservation in a state of the art building. Public access and training are key components; a public exhibition will open in May and tours of the building will start in the autumn.
- 3 Make available a revised set of content strategies across all fields of research in arts and humanities and social sciences, following on from the public consultation undertaken last year. Moderate content shifts will be made in acquisitions expenditure. There will be a transition from collecting print only or print and electronic formats in parallel, to collecting only digital copies of certain categories of material.
- 4 Following the content strategy development in the arts and humanities and social sciences, develop and consult on our strategy for science, technology and medicine.
- 5 Deliver the first phase of the collaborative storage project, funded by the Higher Education Funding Councils. This will address the growing shortage of storage space in UK research libraries. The prototype service will focus on low-use journals held at the British Library and will integrate with our Document Supply service.

- 6 In partnership with the US National Library of Medicine, the University of Manchester and the European Bioinformatics Institute, encourage use and support of UK PubMed Central in the biomedical research community. Produce reports for the UK PubMed Central funders to link research grants with outputs.
- 7 Contribute to the foreign cultural diplomacy agenda led by the Department for Culture, Media and Sport. We will extend our programmes with overseas libraries and archives, including the national libraries of South Africa, China and Iraq.

### 5

#### Develop our people

- 1 Continue to develop an integrated talent development and succession planning strategy to enable the Library to address potential skills gaps, build career development and attract and retain talent.
- 2 Use the results of the 2006 colleague opinion survey to drive forward cultural change and employee engagement.
- 3 In line with the Government's Corporate Social Responsibility Strategy, design and implement a framework which develops the Library's ongoing commitment to ethical behaviour, improves quality of life of the workforce and impacts positively on the community, wider society and the environment.
- 4 To develop and implement a race equality scheme to complement and strengthen the Library's disability and gender equality schemes. This will ensure the Library is a service and employer of choice.
- 5 Continue to develop a modernised pay and reward strategy to attract, retain and reward staff.

### 6

#### Guarantee financial sustainability

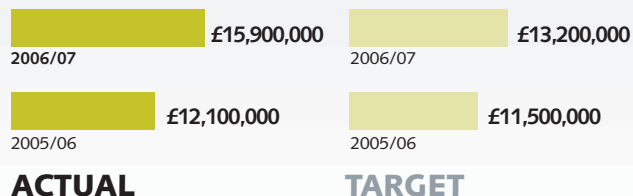
- 1 In the face of increasing financial constraints, focus the Library's influencing programme for its Comprehensive Spending Review 2007 bid on the Library's critical priorities. Develop financial planning scenarios to address how the Library will best deliver its priority programmes within a balanced budget in the coming years. In light of the funding settlement, commence the development of a new strategic plan.
- 2 Implement a sustainable business model for the Library's Document Supply service that is consistent with the Library's overall business and financial plans.



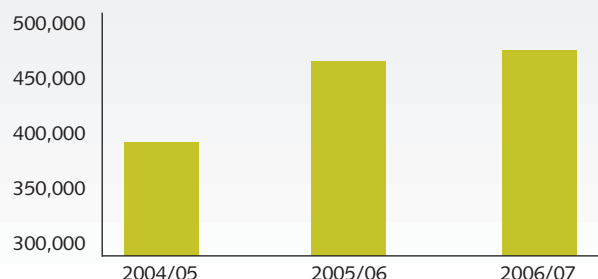
# Key performance indicators

## PERFORMANCE AGAINST FUNDING AGREEMENT TARGETS

### Efficiency savings (cash and non-cash)



### Number of visits to Reading Rooms



MEASURE	Target 2006/07	Actual 2006/07	Target 2005/06	Actual 2005/06	Target 2004/05	Actual 2004/05
<b>Quality</b>						
Reading Room user satisfaction: percentage of Readers rating the services and facilities they used as either 'very satisfied' or 'quite satisfied'	90%	94%	90%	96%	90%	92%
Exhibition visitors satisfaction: percentage of visitors rating the quality of their visit as 'excellent', 'very good' or 'good'	98%	98%	98%	98%	98%	98%
UK remote user satisfaction: percentage of users who are 'totally satisfied' with the Document Supply service	82%	83%	82%	84%	81%	84%
<b>Throughput</b>						
Number of visitors to the Library's Learning website <sup>1</sup>	200,000	341,225	65,000	242,203	60,000	116,529
Number of learners attending educational sessions	7,500	10,127	7,500	9,564	7,500	7,622
Number of visitors to the Library's onsite and virtual public access facilities <sup>2</sup>	880,000	1,625,424	470,200	865,813	445,900	614,915
Number of searches of the Library's online catalogue	25,000,000	25,893,440	9,000,000	24,626,166	8,500,000	14,702,594
Number of items supplied/consulted remotely and onsite <sup>3</sup>	6,246,900	8,486,509	5,434,500	5,877,321	5,395,500	5,291,864
Number of visits to Reading Rooms	410,000	474,074	400,600	462,207	400,600	394,010
Number of items acquired/processed <sup>4</sup>	959,900	1,023,476	938,232	1,009,913	1,021,978	904,983
Percentage of UK legal deposit material acquired <sup>5</sup>	95%	93%	95%	97%	96%	79%
<b>Efficiency savings</b>						
Efficiency savings (cash and non-cash) <sup>6</sup>	£13,200,000	£15,900,000	£11,500,000	£12,100,000	n/a	n/a

**over 25 million searches of the Library's online catalogue**

**1** In September 2006 the Learning website was re-launched with new design and content. In March 2007 the *Sounds Familiar* website was launched. Both launches received a great deal of press, radio and online media coverage attracting new audiences to the website. Ongoing e-promotion and high search engine rankings helped maintain good visitor numbers.

**2** The 2006/07 financial year represents the first year in which this metric includes onsite visitors to auditorium and Piazza events as well as exhibitions. The onsite component in previous years represents visits to exhibitions only. The virtual component includes for the first time the Library's entire Online Gallery which has a high profile within the website. It contains the Turning the Pages volumes alongside exhibition features and showcases of collection items.

**3** The 2006/07 financial year represents the first year in which this metric includes the number of discrete works consulted on our website (e.g. one of Shakespeare's Quartos) as well as the number of items supplied remotely via Document Supply and consulted in Reading Rooms. The improved exposure to Google of our digitised volumes, along with the continuing success of Turning the Pages, has resulted in more items being consulted than expected. Items supplied remotely were particularly high, reflecting an increase in large-scale contract work.

**4** This is a new Funding Agreement target for the financial year 2006/07. It measures the number of items processed in all formats through legal deposit, electronic voluntary deposit, purchase and exchange. It excludes donated items and patents. Where items are received in multiple formats, each format is counted separately.

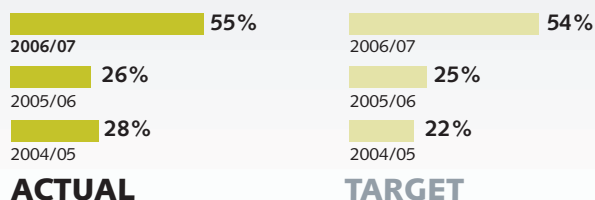
**5** This target is now incorporated into the Funding Agreement targets. It was previously reported in the 'performance against other key performance targets' category. Figures for 2006/07 represent monographs only whereas figures for previous years represent serial and monograph intake.

**6** The efficiency savings target is a new Funding Agreement measure. 2006/07 is year two of a three year Efficiency Delivery Plan agreed with DCMS. The target has been exceeded because staff reductions were greater than planned and visitor numbers to the Reading Rooms and exhibitions have been greater than forecast with no corresponding increase in the cost of provision.

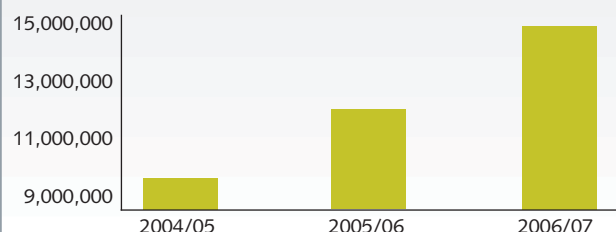
# Key performance indicators

## PERFORMANCE AGAINST OTHER KEY PERFORMANCE TARGETS

### Percentage of material delivered electronically



### Pages of digitised material viewed over the web



	Target 2006/07	Actual 2006/07	Target 2005/06	Actual 2005/06	Target 2004/05	Actual 2004/05
<b>Throughput</b>						
Exhibition loans to other institutions <sup>1</sup>	40	39	40	40	40	36
Items acquired <sup>2</sup>						
Monographs	183,100	195,503	171,000	187,963	189,695	150,829
Serial titles <sup>3</sup>	–	104,972	101,500	106,392	113,500	99,222
Newspaper issues	160,300	167,401	162,500	170,882	181,525	179,728
Patent specifications	1,900,000	2,274,391	1,850,000	2,095,698	2,000,000	2,349,099
Other special materials	61,365	66,144	60,857	75,819	146,460	159,249
Electronic	34,000	32,103	32,621	38,358	3,505	3,024
Cataloguing backlogs <sup>3</sup>	–	373,650	396,472	385,756	407,789	402,120
Catalogue records created <sup>3</sup>	–	408,594	362,000	389,006	325,012	344,829
Digital images created <sup>3,4</sup>	–	3,122,192	29,526	23,760	636,000	43,673
Pages of digitised material viewed over the web <sup>3,5</sup>	–	14,468,000	4,250,000	11,942,099	4,250,000	9,056,710
Percentage of material delivered electronically <sup>6</sup>	54%	55%	25%	26%	22%	28%
<b>Efficiency</b>						
Document supply and monograph lending fulfilment rate	82%	81%	82%	80%	82%	81%
Percentage of material held onsite delivered in						
St Pancras Reading Rooms within 70 minutes	90%	92%	90%	94%	90%	94%
Average sick leave in working days per staff member	7.94	7.56	8.00	7.83	8.00	8.17

Creation of  
catalogue  
records up  
**5%**

- 1 These are loans to individual institutions, not numbers of items lent.
- 2 Figures reflect acquisition by purchase, exchange and legal deposit.
- 3 No overall target was set for 2006/07.
- 4 The increase in 2006/07 relates to the JISC-funded British Newspapers project and the second phase of the project to digitise the Burney Collection of early British newspapers.
- 5 This is the number of individual pages of digitised collection items viewed.

- 6 In 2006/07 the Target and Actuals cover 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). In 2005/06 and 2004/05 the figure covered only secure electronic delivery and was a funding agreement target. Now no longer a funding target, the broader measure shows that a tipping point has been reached in the users' preference for digital rather than analogue information supply.

# Statistics

## WEBSITE USAGE

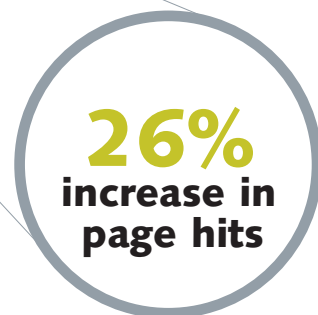
Use of <a href="http://www.bl.uk">www.bl.uk</a>	2006/07	2005/06
Unique hosts served <sup>1</sup>	4,973,782	4,229,076
Successful requests for pages (page hits) <sup>2</sup>	60,938,371	48,495,880

- <sup>1</sup> Unique hosts served is the best approximation available to the number of individual users of the website.
- <sup>2</sup> 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 2007	Reader desks	Other provision <sup>1</sup>
Humanities Floor 1 and 2 Reading Rooms	436	85
Rare Books and Music Reading Room	293	74
Maps Reading Room	37	20
Asian & African Studies Reading Room (formerly known as Oriental and India Office Reading Room)	83	47
Manuscripts Reading Room	72	24
Philatelic Collections	1	0
Science Reading Rooms	128	38
Business & IP Centre	32	73
Social Sciences Reading Room	50	27
Newspapers (Colindale)	77	62
Boston Spa Reading Room	76	10
<b>Total</b>	<b>1,285</b>	<b>460</b>

- <sup>1</sup> 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	2006/07	2005/06
British Library Integrated Catalogue <sup>1,2</sup>	11,857,089	11,515,486
Access to archives <sup>2</sup>	593,338	573,973
Asia, Pacific and Africa Collections – Japanese and Chinese <sup>2,3</sup>	55,414	46,441
Allied and Complementary Medicine (AMED)	208,372	195,726
British National Bibliography (BNB)	2,580,606	2,436,864
Sound Archive Catalogue <sup>2</sup>	3,076,215	3,056,900
English Short Title Catalogue (ESTC) <sup>2</sup>	469,268	468,647
Incunable Short Title Catalogue (ISTC) <sup>2</sup>	29,764	29,438
Electronic table of contents <sup>2,4</sup>	30,264,915	27,745,402
International Standard Serial Numbers (ISSN) UK Centre	90,461	87,137
Manuscripts <sup>2</sup>	801,091	788,548
Newspapers <sup>2</sup>	53,198	53,074
Register of Preservation Surrogates	213,794	208,653
<b>Total<sup>5</sup></b>	<b>50,293,525</b>	<b>47,206,289</b>

- <sup>1</sup> Number of unique records. A project to remove any duplication is ongoing.
- <sup>2</sup> Available from the Library's website.
- <sup>3</sup> All other Asia, Pacific and Africa Collection material, except for Japanese and Chinese material, is included in the British Library Integrated Catalogue.
- <sup>4</sup> 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](http://zetoc.mimas.ac.uk)
- <sup>5</sup> 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	2006/07	2005/06
Monographs <sup>1</sup>	13,758,905	13,427,489
Serial titles (all) <sup>2</sup>	879,320	873,071
Newspaper titles (all) <sup>3</sup>	56,335	56,200
Manuscripts (single and volumes)	327,560	314,914
India Office records <sup>4</sup>	392,013	391,972
Philatelic items	8,261,099	8,252,724
Cartographic items	4,330,660	4,317,464
Music scores	1,597,304	1,594,246
Sound discs	1,399,027	1,366,487
Sound tape items	242,227	239,263
Videos	29,200	27,582
Prints and drawings	32,779	32,629
Photographs	277,662	273,368
Patent specifications	60,602,725	57,928,334
Reports in microform	10,257,901	10,203,631
Theses	160,467	158,000
<b>Total</b>	<b>102,605,184</b>	<b>99,457,374</b>

- <sup>1</sup> The figure for monographs is based on the number of items in the relevant catalogues. This figure includes an estimate of items covered by card catalogues.
- <sup>2</sup> 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.
- <sup>3</sup> The figure for newspaper titles includes weekly and fortnightly magazines as well as newspapers.
- <sup>4</sup> The archives of the India Office (1858–1947) and its predecessors, including the East India Company (1600–1858).

# Statistics

## ITEMS RECEIVED ON LEGAL DEPOSIT

	2006/07	2005/06
Monographs	97,144	103,357
Serial issues	283,180	282,352
Maps and atlases	2,078	2,544
Music scores	2,015	1,712
Newspaper issues	151,903	154,617
Playscripts	297	218
<b>Total</b>	<b>536,617</b>	<b>544,800</b>
Serial titles received	38,384	38,253
Claims for items not automatically deposited	240,810	234,440

## STORAGE

Kilometres of shelving and percentage occupied	2006/07	2005/06
Working capacity: linear km <sup>1</sup>	654.5	654.5
Extent of collection: linear km <sup>2</sup>	630.2	624.2
Percentage occupied	96.27%	95.37%

- 1 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.
- 2 During 2006/07 the gross increase in the extent of the material acquired by the Library was 11km. The net increase in the extent of the collection was reduced to 6km through the compression of stock at Boston Spa.

## PRESERVATION

Preservation funding	2006/07	2005/06
	£000	£000
Grant in Aid	6,106	7,350
Donations/external funds	583	470
Sales income	242	300
<b>Total</b>	<b>6,931</b>	<b>8,120</b>

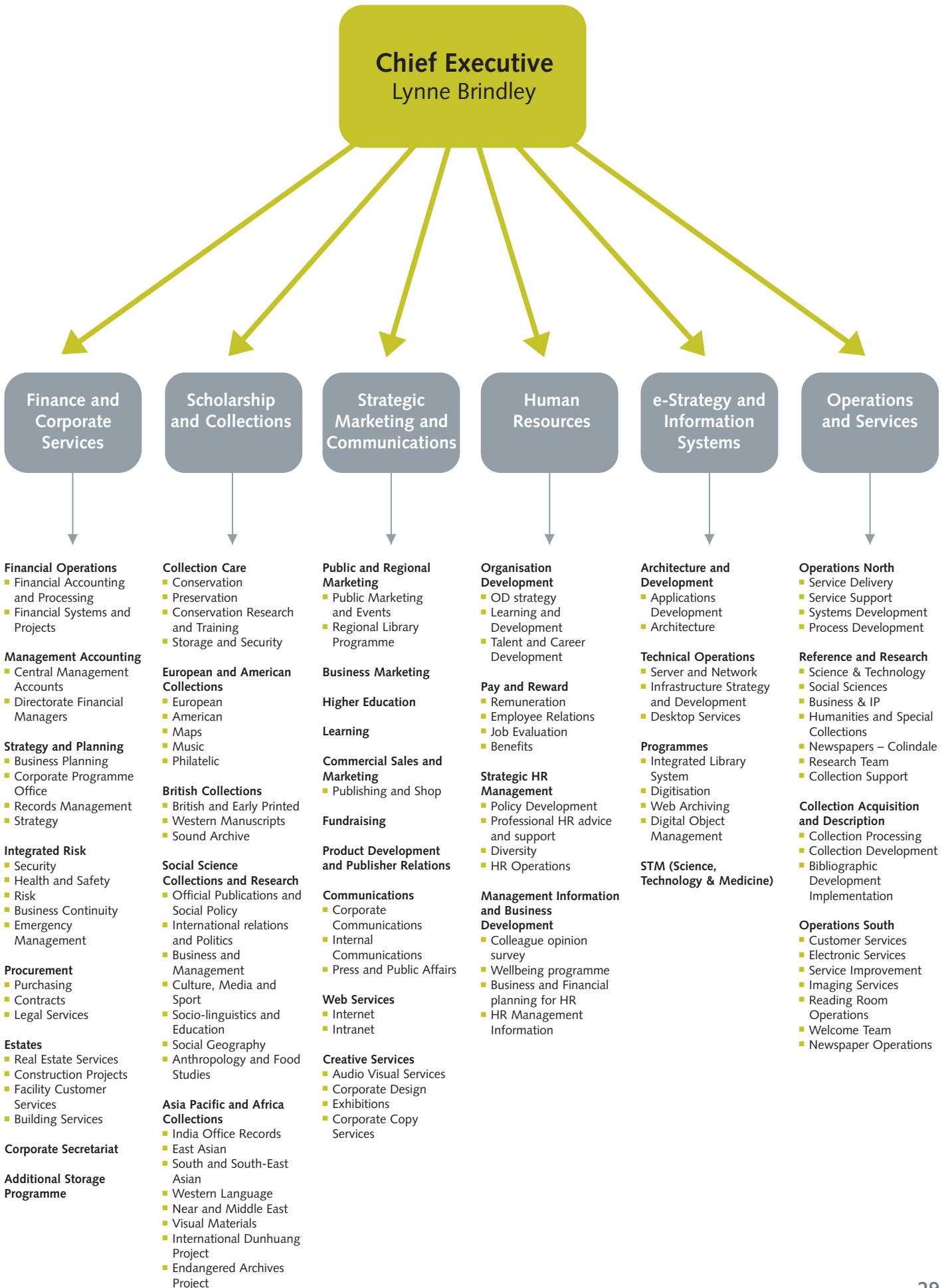
Items preserved	2006/07	2005/06
Conservation and/or rebinding <sup>1</sup>	3,538	6,382
New binding	49,650	43,064
Minor repairs <sup>2</sup>	2,029	22,362
Boxing/other work	10,669	8,602
Preservation microfilming	15,481	15,891
<b>Total</b>	<b>81,367</b>	<b>96,301</b>

- 1 Fluctuations in figures are due to the normal variations which occur annually when treating a wide range of non-standard items.
- 2 Minor repairs figures are substantially reduced because the department no longer undertakes much work of this type.

Preservation microfilming	2006/07	2005/06
Newspapers: frames of film	15,653,359	16,096,701
Books, periodicals, record volumes, manuscripts: frames of film	1,568,833	1,582,197
<b>Total</b>	<b>17,222,192</b>	<b>17,678,898</b>

# Governance and leadership

## STRUCTURE



# Governance and leadership

## EXECUTIVE TEAM



**Steve Morris**  
DIRECTOR, FINANCE AND  
CORPORATE SERVICES

'One of our key achievements this year is the new additional storage building in Boston Spa in West Yorkshire.

In around two years' time, this building will have in it seven million of the nation's books. These will be preserved in the best conditions of any books in the world in high-tech, high-density storage, designed to make sure that we can preserve this part of the nation's knowledge in perpetuity.

Actually, the British Library is about not just maintaining books, but increasingly moving into the digital world and preserving electronic information as well as paper; and we are doing everything we can to make the best use of the funding we receive from government, through our commercial activity, and also from our sponsors to invest in both the paper and digital history and future of knowledge in this country.'



**Ronald Milne**  
DIRECTOR,  
SCHOLARSHIP AND COLLECTIONS

'This year has been a very significant one for Scholarship and Collections. Early in the year we published our content strategy consultation document, to which we had a marvellous response. We will be taking these responses into account in formulating our action plan, which will allow us to take forward the strategy into the next period.

Each year we spend about 10% of our acquisitions budget on heritage material. This year we have been particularly fortunate to acquire the Raffles Family Collection and the Coleridge Family Archive, which will add very significantly to our collections.

I am very proud to be able to say that the British Library Centre for Conservation has been delivered on time and on budget. This is a world-class facility that will allow us to apply the highest standard of care to our collections to ensure that they are made available for future generations. It has been a busy year for Scholarship and Collections and a great one.'



**Jill Finney**  
DIRECTOR, STRATEGIC MARKETING  
AND COMMUNICATIONS

'Strategic Marketing and Communications had a really good year. We held two major events; *The Front Page*, celebrating 100 years of headlines of newspapers. This exhibition attracted a record number of school visits and young people. We also had an exhibition called *London: A Life in Maps*, an exhibition which depicted the history of London according to maps. This was our largest exhibition ever, and collectively we generated over 510,000 visitors for the Library. This was one of the largest percentage increases for any London institution.

Business and IP Centre certainly went on from strength to strength. We held over 3,000 one-to-one advice sessions, and I am pleased to say have continued to keep the support of both Anita Roddick and Tim Campbell. We launched our Intellectual Property Manifesto at the party political conferences this year, which was the first time we had attended those events.'



This year each of the Directors made a short webcam piece about their work. You can read what they said below, or see their videos at [www.bl.uk/mylibrary](http://www.bl.uk/mylibrary)



**Mary Canavan**  
**DIRECTOR,**  
**HUMAN RESOURCES**

'The Library provides services to a global and diverse market, and it is therefore very important to ensure that we are meeting the needs and expectations of our many service users and our workforce.

This year, the HR Team has focused on developing both service diversity and employment initiatives on a range of policy areas. Specifically, we have developed an age policy, disability and gender equality schemes and, in preparation for the opening of *Sacred*, we have developed religious and belief guidelines in consultation with our local community faith leaders.

Through this work, we have driven a broad cultural change in gaining greater commitment and accountability from our stakeholders in recognising the importance of diversity and also gaining greater recognition as an employer and service provider of choice.'



**Richard Boulderstone**  
**DIRECTOR, E-STRATEGY**  
**AND INFORMATION SYSTEMS**

'We've been working on a number of the digital library projects over the last year. One project in particular is UK PubMed Central, which is an open access repository of biomedical articles that we have put together in conjunction with the National Institute of Health in the United States, funded by the Wellcome Trust and other biomedical charities in the UK.

This open access repository is for the benefit of biomedical researchers, who can now gain access to this kind of content over the internet for free.

We plan to develop this service over the next two to three years as we build a comprehensive solution for these researchers to explore biomedical research from all over the world.'



**Phil Spence**  
**DIRECTOR,**  
**OPERATIONS AND SERVICES**

'It has been a really good year for customers of the British Library. In our Reading Rooms in St Pancras, 94% of people have been satisfied with the services that we have been providing to them; and that is against a backdrop of about a 7% increase in numbers. For our remote document supply service, 83% of people are satisfied. I think we have some way to go, but we are moving in the right direction. For example, 55% of requests are now provided by electronic means.

We have also been quite innovative. We have introduced a new box office system, which enables people to book for events online or through our Customer Services Department. We have also introduced a new Reader Admissions process, which enables people to get their Reader Passes much more quickly and efficiently than before.

As the new Director of Operations and Services, I am very pleased with the progress that has been made, and I am particularly impressed with the commitment of our staff in really finding out what the issues are that people feel strongly about and trying to make a better service for everybody.'

# Governance and leadership

## CORPORATE GOVERNANCE: THE BRITISH LIBRARY BOARD

### Operation

**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 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 during the 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 Capital Projects Committee and, since March 2007, the Investment Committee. The minutes of the meetings of the Board Audit Committee, the Capital Projects Committee, and the 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 <http://www.bl.uk/about/policies/pdf/subcs0701.pdf>

A Register of Interests of Members of the Board is maintained and is reviewed by the Board Audit Committee. 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 will be made available for inspection on application to the Secretary of the Board who can also provide copies on request.

### Membership during 2006/07

#### CHAIRMAN

**Sir Colin Lucas D.Phil FRHistS** [From 1 September 2006. Sir Colin's term of appointment expires on 31 August 2010.]

**The Rt Hon Lord Eatwell of Stratton St Margaret MA PhD** [Lord Eatwell completed his term of appointment on 31 August 2006.]

#### MEMBERS

**Sir Henry Boyd-Carpenter KCVO MA** (Deputy Chairman) (formerly Senior Partner, Farrer and Co.) was appointed to the Board by HM The Queen. He chairs the Board Audit Committee and acts as a confidential avenue for staff who may wish to raise issues of concern about impropriety. [Sir Henry's second, four-year, term expires on 29 September 2007.]

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

**Robin S Broadhurst CBE FRICS** (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 first, four-year term of appointment expires on 31 December 2007.]

**Professor 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 his academic background in the social sciences. [Professor Burgess's second, four-year term of appointment expires on 19 December 2010.]

**Sheila Forbes CBE** (Non-Executive Director, Tribal Group plc and OCS Group Ltd) 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.]

**Duncan Lewis MA** (Senior Advisor, Telecommunications, Media and Technology, The Carlyle Group) was appointed to the Board for his experience in the information and communications technology field. [Mr Lewis completed his term of appointment on 25 June 2006.]

**Sir Colin Lucas D.Phil FRHistS** (Warden of Rhodes House, and formerly Vice-Chancellor, University of Oxford) is a senior humanities academic who contributes to the Board his experience of leadership and management in a university environment. [Sir Colin was appointed Chairman of the Board on 1 September 2006.]

**Eileen Mackay CB FRSE** (Formerly Non-Executive Director, The Royal Bank of Scotland Group and previously principal finance officer at the Scottish Office) brings to the Board her financial and public administration experience. She was appointed after consultation with Scottish ministers. She chairs the Capital Projects Committee. [Ms Mackay's first, four-year term of appointment expires on 16 July 2007.]

**Simon Olswang BA Econ** Solicitor, Attorney at Law (California) (formerly Chairman, Olswang) brings to the Board his legal/commercial expertise in the field of intellectual property rights (IPR). [Mr Olswang's second, four-year, term of appointment expires on 31 March 2008.]

**Dr Gareth W Roberts BSc PhD MBA FRSA** (CEO NovaThera Ltd, Director, NovaThera Asia Ltd, Director, IsoHelix Ltd and Partner, Opine Consultancy) was appointed for his background and experience in the UK biotechnology industry, one of the key R&D-based sectors served by the Library. [Dr Roberts' first, four-year term of appointment expires on 31 December 2007.]

SECRETARY TO THE BOARD  
**Andrew Stephens BSc (Hons)**  
Head, Corporate Secretariat

#### **British Library 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. The current members are:

Sir Henry Boyd-Carpenter (Chair)  
Eileen Mackay  
Gareth Roberts

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 2006/07, 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. By invitation, 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. The current members are:

Sheila Forbes (Chair)  
Professor Robert 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 page 42.

#### **Capital Projects Committee**

At its meeting in May 2005 the Board agreed to establish a limited-life Capital 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. The current members are:

Eileen Mackay (Chair)  
Lynne Brindley  
Robin Broadhurst  
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 two current multi-million pound capital construction projects, namely, the British Library Centre for Conservation project and the Additional Storage Programme. During 2006/07 the Committee met three 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  
Lynne Brindley  
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 2006/07 the Committee met once to discharge its responsibilities.



# Grants and donations

Without charitable gifts and grants the British Library could not sustain its position as one of the greatest research libraries in the world. Every private individual, trust, corporation and grant making body that supports our work makes an investment in the future of scholarship and enterprise, in learning and research, and in the enrichment of people's lives.

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



## Raffles Family Collection

The Raffles Family Collection is an archive comprising letters, papers and drawings relating to Sir Thomas Stamford Raffles (1781–1826), the most important early British colonial administrator in South East Asia and the founder of Singapore.

The Raffles Family Collection joins related holdings, making the whole the most important archive of Raffles material anywhere in the world. The purchase was made possible by the Heritage Lottery Fund, the Art Fund, John Koh, Friends of the British Library, Friends of the National Libraries, and public donations.

Left: a Bay Owl from an album made for Sir Stanford Raffles.

## Coleridge Family Archive

The Coleridge Family Archive consists of several thousand items of correspondence, diaries, literary manuscripts (below), legal notebooks and other records of the main line of the poet Samuel Taylor Coleridge's family, dating from the mid-18th to the early 20th century. Through the family's links with leading literary, political, religious and judicial figures, the archive offers a wealth of information about 19th century England. It is being made public for the first time, for which we are grateful to the National Heritage Memorial Fund, the Pilgrim Trust, Friends of the British Library, Friends of the National Libraries, Lynn Foundation, Gamlen Charitable Trust, Denton Wilde Sapte Charitable Trust and members of the public for their support of this acquisition.





### The Folio Society

October 2006 saw the launch of The Folio Society Gallery in the Entrance Hall of the St Pancras building. This new gallery space, sponsored by The Folio Society, will host a series of four free exhibitions each year offering visitors the chance to examine original manuscripts presented in an engaging and interactive context. The gallery is a natural meeting of the shared values of The Folio Society and the British Library, in bringing important literary works to audiences of all ages.

Each display will focus on one of the Library's many treasures or an area of topical interest. Exhibitions during the first six months have included the Luttrell Psalter (detail left), one of the most famous medieval manuscripts of the 14th century, and a celebration of the Proms to mark the 80th anniversary of the BBC taking over the running of these concerts.

### Catalogue of Illuminated Manuscripts

The Getty Foundation has generously funded a project to revolutionise access to the extraordinary riches of the Harley Collection, which contains exquisite medieval and Renaissance illuminated manuscripts. Adding digital images and descriptions of each manuscript to our online Catalogue of Illuminated Manuscripts makes it much easier for art historians and other scholars to study them, and for a wider public to enjoy and appreciate them. By the end of this project in June 2009 we aim to have added over 2,000 manuscripts to the Catalogue.

Right: the swan of the constellation Cygnus, with text or scholia written inside the constellation. France, 9th century.



### Adopt a Book

With an eye on the trend towards online shopping, the Adopt a Book website was relaunched in November 2006 in time for the busy Christmas period. The new website takes advantage of shopping basket technology, and includes images of books, enhanced text descriptions and a search facility. The shopping function allowing adopters to place their orders faster and more easily than before. The new website certainly helped to boost the number of adoptions, generating 73% of orders during the Christmas period. This development was made possible with the generous support of the Amberstone Trust.

### Conservation Research

This three-year project, funded through a major grant from the Andrew W Mellon Foundation, began in October 2006. It is a collaboration with the other five Legal Deposit libraries of the UK and has two main research strands. The first is to investigate the condition of identical books held in different storage environments to see the effects on their condition and predict changes in their future condition. The second is to investigate the emission of acids by books and paper. We hope to use the results to design better storage areas and minimise the rate of paper degradation in the future.

### Patrons

The British Library's Patrons have enjoyed unrivalled access to the Library and our collections during the year through intimate special events and glamorous exhibition opening receptions. They have seen (amongst other things) beautiful books belonging to Elizabeth I, gorgeous illuminated manuscripts, rare books by William Morris and Lawrence Olivier's letters. Highlights of the year included the exhibition *London: A Life in Maps*, part sponsored by our 37 Patrons, and the Annual Literary Dinner in June.

### British Library Centre for Conservation

Construction of the Centre for Conservation was completed in December 2006 on time and to budget. Following a short period of moving in equipment and staff, the Centre became fully operational in March 2007. Visitors to the Centre can view a new exhibition uncovering conservation as well as joining behind the scenes tours and practical workshops. The first year-long book conservation internship is also underway, funded by the Heritage Lottery Fund. We are grateful to all our donors whose support has made this project possible.

### Sacred

Throughout the year, we have worked extensively on plans for the exhibition *Sacred: Discover what we share*, which presents some of the world's most important religious works from the Jewish, Christian and Muslim traditions. The exhibition marks the first time that texts from these faiths will have been displayed and explored side-by-side and has been made possible thanks to the generous support of donors and partners from all three faiths. We are most grateful to the Coexist Foundation, the Moroccan British Society, the Saint Catherine Foundation and many other donors.

### Corporate Partners

Towards the end of the year the British Library launched a new Corporate Partners programme. This is a way in which companies can support the Library and at the same time benefit from all that our collections, curators and facilities have to offer. Corporate Partners enjoy the opportunity to entertain guests in the Entrance Hall and galleries, offer Shop and events discounts to employees and complement their existing corporate responsibility activities through our educational workshops. We are delighted to have Goldman Sachs and Drivers Jonas amongst our founding Corporate Partners.

# Grants and donations

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

The Amberstone Trust  
for Adopt a Book

The American Trust for the British Library  
for Sound Conservation Training Bursaries,  
the acquisition of the Pinter playscripts,  
the *Codex Sinaiticus* project, the  
International Dunhuang Project and  
for the Centre for Conservation

The Andor Charitable Trust  
for Turning the Pages

Arcadia  
for the Endangered Archives Programme

The Art Fund  
for the acquisition of the Raffles  
Family Collection

Arts Council England  
for the Authors' Lives project

The BAND Trust  
for the Centre for Conservation

Dr Bernard H Breslauer  
for the acquisition of Tyndale's  
New Testament

William and Judith Bollinger  
for the *Sacred* exhibition

The Clore Duffield Foundation  
for the *Sacred* exhibition

Coexist Foundation  
for the *Sacred* exhibition

The John S Cohen Foundation  
for the *Authors' Lives* project

JF Costopoulos Foundation  
for the *Codex Sinaiticus* project

Mr and Mrs James Dalton  
for the acquisition of *My Ladye Nevells  
Booke*

Dr Naim Dangoor OBE and the Exilarch's  
Foundation for the Centre for Conservation

The Gladys Krieble Delmas Foundation  
for cataloguing the Julian Marshall Collection

The Denton Wilde Sapte Charitable Trust  
for the acquisition of the Coleridge  
Family Archive

Sir Harry Djanogly CBE  
for the *Sacred* exhibition

The Dorset Foundation  
for the Centre for Conservation

D'Oyly Carte Charitable Trust  
for Sound Conservation Training Bursaries

Drivers Jonas  
Corporate Partner

The Eranda Foundation  
for the *Sacred* exhibition

The Ernest Cook Trust  
for Book Conservation and Sound  
Archiving Training Bursaries

Fenwick Ltd  
for the *London: A Life in Maps* exhibition

The Folio Society  
for The Folio Society Gallery

The Foyle Foundation  
for the Centre for Conservation

The Friends of the British Library  
for the acquisition of the Raffles  
Family Collection, the *London: A Life  
in Maps* exhibition, the Centre for  
Conservation and a number of other projects

The Friends of the National Libraries  
for sponsoring the Manuscripts Matter  
conference, the acquisition of the Coleridge  
Family Archive, the acquisition of the Pinter  
playscripts and the acquisition of the Raffles  
Family Collection

Gamlen Charitable Trust  
for the acquisition of the Coleridge  
Family Archive

Garrick Club Charitable Trust  
for the *Authors' Lives* project

The Getty Foundation  
for cataloguing the Harley illuminated  
manuscripts

Goldman Sachs  
Corporate Partner

Goldsmiths' Company's Charities  
for the *London: A Life in Maps* exhibition

The Horace W Goldsmith Foundation  
for Turning the Pages

Alice Griffin  
for the acquisition of the Pinter playscripts

Headley Trust  
for Conservation Training Bursaries

Heritage Lottery Fund  
for the acquisition of the Raffles  
Family Collection, the Centre for  
Conservation and for a Book  
Conservation Bursary

HSBC Bank Plc  
for sponsorship of *Inspiring Entrepreneurs*

The Innovation Unit, funded by the  
Department for Education and Skills  
for the *Sounds Familiar* project

John Koh  
for the acquisition of the Raffles  
Family Collection

The Leventis Foundation  
for the *Codex Sinaiticus* project

The Lynn Foundation  
for the acquisition of the Coleridge  
Family Archive

The Moroccan British Society  
for the *Sacred* exhibition

The National Heritage Memorial Fund  
for the acquisition of the Coleridge  
Family Archive

Newspaper Publishers Association  
for the *Front Page* exhibition

New Star Asset Management  
for the *Sacred* exhibition

Old Possum's Practical Trust  
for the acquisition of the Pinter playscripts

Pearson plc  
for the Pearson Creative Research Fellowship

The Pilgrim Trust  
for the acquisition of the Coleridge  
Family Archive

The PF Charitable Trust  
for the Centre for Conservation

Quaritch Booksellers  
for sponsoring the Manuscripts Matter  
conference

The Radcliffe Trust  
for Book Conservation Training Bursaries

Sir John Ritblat and the Ritblat Family  
for the Sir John Ritblat Gallery: Treasures  
of the British Library

The Royal National Theatre Foundation  
for the acquisition of the Pinter playscripts

The Rubin Foundation  
for the *Sacred* exhibition

Saint Catherine Foundation  
for the *Sacred* exhibition

Mr Naguib Sawiris  
for sponsoring the *An Evening in the Library*

Commander LMM Saunders Watson  
for the Roll of Honour

The Samuel Sebba Charitable Trust  
for the *Sacred* exhibition

Sami Shamon  
for the *Sacred* exhibition

Wellcome Trust  
for the cataloguing of the Harley Manuscripts

Yellow Pages  
for sponsoring Business & IP Centre  
workshops

## BRITISH LIBRARY PATRONS

### Shakespeare Patrons

The Most Hon the Marquess Salisbury

### Austen Patrons

The Clore Duffield Foundation

The Hon Simon Eccles

Lord and Lady Egremont

### Woolf Patrons

Sirdar Aly Aziz

B A B

The Nicholas Bacon Charitable Trust

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William and Judith Bollinger

Ms Stephanie Brada

Mr David Buckley

Mr Raymond Burton

Lord Charles Cecil

Lillian and Lincoln Chin

The John S Cohen Foundation

Mr James Dalton

David Dangoor, The Exilarch's Foundation

Mr Gordon Dawes

Mr Louis Elson

Sam Fogg

D Hendriksen

Mercedes and Michael Hoffman

Mark and Liza Loveday

Sir Colin Lucas

Robert McCarthy and Michelle Dykstra

Mrs Carolyn Newbigging

Nigel and Joanna Newton

Michael Palin

Jayne, Lady Rayne

Dr and Mrs Mortimer Sackler

Henri Schiller

Susan W Tinsley

Rt Hon Lord Young of Graffham

Dr Bill Zachs

and others who wish to remain anonymous

## AMERICAN TRUST FOR THE BRITISH LIBRARY

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Mr George B Adams

Mrs Charlotte P Armstrong

Mr Roger S Baskes

Mr R Dyke Benjamin

Mrs Christopher Chen

Dr and Mrs Paul Cushman, Jr

Mr Simon Eccles

Ms Emily H Fine

Mr Ronald M Freeman

Mr William B Ginsberg

Mr William T Golden

Mr Lansing Lamont

Mr William R Miller

Mr Howard Phipps, Jr

Mrs Ruth E Robinson

Mr Arthur Ross

Ms Jane Gregory Rubin

Mr James B Sitrick

Mr Stephen Stamas

Dr Prudence L Steiner

Mrs Lisa von Clemm

Mr William J Zachs

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Mr Peter Mayer

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Prof Mervin R Dilts

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Ms Christine Zuromskis

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Ronald R Atkins, Esq.

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Mr Richard C Hazlewood

Mr M Holt Massey

Mr Arthur Mejia

Mr and Mrs David Mesker

Mrs Judith B Moore

Dr Phyllis A Moriarty

Ms James W Needham and

Ms Florence Fearrington

Mr R David Parsons

Mr Ernest T Patrikis and

Ms Emily H Trueblood

Mr William S Phelan, Jr

Dr Alice Prochaska

Mr and Ms Alfred Ross

Mr and Mrs Stanley D Scott

Ms Judith O Thomson

Mr and Mrs J Thomas Touchton

Mr David E White

Mr and Mrs George H White III

Mr Francis H Williams

Ms Katherine A Young

and Mr Brian D Young

Ms Marie E Zwanziger

### Foundations

Anglo-California Foundation

Caritas Foundation of Western Kansas

The Greater Kanawha Valley Foundation

Gumpel-Lury Foundation

M Holt Massey Charitable Trust

Alfred Lee & Peter Mayer Foundation

The Reed Foundation, Inc

The Alfred and Jane Ross Foundation

The John L and Sue Ann Weinberg

Foundation

### Legacies and Bequests

Marian Speyer

## ADOPT A BOOK BENEFACTORS

Stephen Burgess

Alison Harrison

Rosalind Long

and others who wish to remain anonymous

## PATRONS AND CORPORATE BENEFACTORS OF NATIONAL LIFE STORIES

Authors' Licensing and Copyright Society

Howard Covington

Sir John Craven

Lord Tristan Garel-Jones

J Paul Getty Jr Charitable Trust

Marco Goldschmied Foundation

Dr John Gordon

Rootstein Hopkins Foundation

Henry Moore Foundation

Tesco Stores Ltd

Michael G Wilson

Wimbledon School of Art

Jennifer Wingate

Worshipful Company of Fruiterers

Wyfold Foundation

Yale Center for British Art

David Young

# Annual Accounts 2006/07

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# Trustees Annual Report 2006/07

## Financial Overview

### 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 (NPDB) sponsored by the Department for Culture, Media and Sport and has exempt charitable status.

### 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, Media and Sport.

### BOARD MEMBERSHIP

Details of Board members who served between 1 April 2006 and 31 March 2007 are as published on page 32.

### ACCOUNTING CONVENTIONS

The basis on which the accounts have been prepared is stated on page 52 at note 1a.

### FINANCIAL RESULTS

The Accounts provide a Statement of the Financial Activities (SOFA) of the Board during the year ended 31 March 2007. In accordance with Section 5(1) of the Act, as amended by Statutory Instrument 1986 No 600, the Secretary of State paid to the Board such sums as were necessary to defray expenses incurred with his approval, so far as those expenses 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 to take account of the Statement of Recommended Practice (SORP) 2005 *Accounting for Charities*. A Statement of Financial Activities for the year is set out on page 51. 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's income for 2006/07 was £159.2 million, of which £102.6 million (64%) was Grant in Aid (GIA) from the Department for Culture, Media and Sport. £90.5 million of this was revenue Grant in Aid, with the balance of £12.1 million for capital programmes. The Department holds £15.2 million (£7.4 million capital, £7.8 million operational) of funding from previous years under 'End Year Flexibility' rules.

Income from provision of services was £22.8 million (£24.3 million 2005/06). Document Supply, the Library's principal source of commercial revenue, continued to decline in a competitive and fast changing marketplace and in addition, we experienced a downturn in our licensing and publishing revenues. However, stronger than anticipated revenue performances in our digitisation (£1.2 million) and imaging services however helped to offset the full impact of this decline. The overall position was also balanced by continued improvement in our terms of supply and strict management of operational costs, the net result year on year being an improvement in contribution from our trading activities.

The Library maintained its efficiency programmes in line with the recommendations of the Gershon Review into public sector efficiencies, and has continued to exceed savings targets. In consequence, net expenditure on support activities fell from £45.4 million in 2005/06 to £43.5 million (restated) in 2006/07. Two major building programmes passed significant landmarks, with the opening of the British Library Conservation Centre in St Pancras and building work beginning on the Additional Storage Programme facility at Boston Spa. The Library has continued to invest heavily in building its infrastructure to ingest, hold and provide access to digital material. The London in Maps exhibition proved to be one of the most popular and successful exhibitions yet staged by the Library. Reading room usage has continued to grow and further steps taken to increase efficiency to handle the extra demand. The Library's internet presence has continued to grow rapidly, with total page hits on the British Library website in excess of 60 million, an increase of 25% from the previous year. This resulted in over 25 million searches of the online catalogue and nearly 15 million pages of digitised material being viewed on the Library website.

# Trustees Annual Report 2006/07

## Financial Overview continued

Revenue expenditure on acquisitions for the collections was £15.3 million (£14.4 million 2005/06), and capital expenditure £3.8 million (£1.4 million 2005/06).

There was a net increase in the movement of funds after revaluation in the year of £40.3 million. This was an increase of £42.4 million on the unrestricted funds and an decrease of £2.1 million on the restricted funds. The excess of income over expenditure of £39.4 million, before St Pancras depreciation, notional costs and transfers between funds, was principally a consequence of the fixed assets purchased during the year of £19 million and the receipt of donated heritage assets of £21.3 million.

### 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 Grant in Aid accounts for around 64% 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 risk is managed through the Library's policy of ensuring that the level of reserves provides a comfort level for shortfall in income and to underpin cashflow and budgetary risks particularly arising from capital expenditure projects.

Although the Library's total reserves at 31 March 2007 are shown as £592 million on its balance sheet, all but £5 million is tied up in restricted funds, buildings, plant and fixtures. None of which can be used for other purposes.

### 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 2007, 89% of invoices were paid within 30 days (89% 2005/06). Compliance in this matter is in accordance with the Better Payment Practice Code.

### BANKERS, EXTERNAL AUDITORS, SOLICITORS AND INVESTMENT MANAGERS

The following organisations were the Library's principal suppliers of professional financial, legal and investment services during 2006/07:

Lloyds TSB 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  
SW1W 9SP

Legal and General Investment Manager Ltd  
Bucklersbury House  
3 Queen Victoria Street  
London  
EC4N 8NH

### INVESTMENTS

Legal and General were appointed as the Trust Fund investment manager in November 2006 taking over from J.P. Morgan (formerly Fleming Private Asset Management). Average yield in 2006/07 was 3.4%. A Board Investment Committee was established to give oversight to the Library's investment portfolios, holding its inaugural meeting in March 2007.

#### **EQUAL OPPORTUNITIES**

The British Library Board is an equal opportunities employer and is committed to promoting diversity. A full time Diversity Manager is in post. The Library's policy for training, career development and promotion are in line with its equal opportunities policy and, in this regard, disabled employees are treated the same as all other staff with respect to their aptitudes and abilities. The Library aims to develop an adaptable, well motivated and well trained staff, possessing a complex blend of knowledge and skills in managerial, technical, scholarly and specialist disciplines.

There are 34 employees employed by the British Library who have notified the British Library that they are disabled. However, this figure is likely to be lower than the 'true' figure as a number of employees may well satisfy the legal definition of 'disabled' within the Disability Discrimination Act (DDA), without knowing, or without wishing to disclose this information.

#### **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.

#### **KEY OBJECTIVES**

Details of the Library's strategic priorities can be found on pages 20 to 23.

#### **RELATED PARTY TRANSACTIONS**

Details of related party transactions are disclosed on page 66 at note 24.

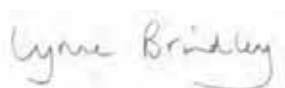
#### **CODE OF BEST PRACTICE ON CORPORATE GOVERNANCE**

A Statement on Internal Control is included on pages 44 to 46 and the Library has achieved full compliance in this respect, as at March 2007.

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



SIR COLIN LUCAS  
CHAIRMAN  
25 JUNE 2007



LYNNE BRINDLEY  
ACCOUNTING OFFICER  
25 JUNE 2007

# Remuneration report

## REMUNERATION POLICY

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:

**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)  
Lord Eatwell (until 31.8.2006)  
Sir Colin Lucas (from 1.9.2006)  
Professor Bob Burgess  
Duncan Lewis (until 25.6.2006)  
Vacancy (from 26.6.2006)  
In attendance: Mary Canavan (Secretary)  
Director of Human Resources  
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.

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 so choose. 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.

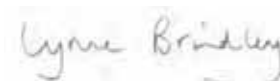
## Salary and pension entitlements

During the year, a third party has been paid for the services of a senior manager, the Interim Director of Operations and Services. The amount paid to the third party for the period 1 April 2006 to 31 October 2006 totalled £152,602 (this is subject to audit).

For information on pension entitlements of, and the salary paid during the year to, the Chairman and Executive Team please see note 6a(i) (page 56) in the Annual Accounts.



SIR COLIN LUCAS  
CHAIRMAN  
25 JUNE 2007



LYNNE BRINDLEY  
ACCOUNTING OFFICER  
25 JUNE 2007



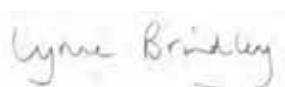
# Statement of Board and Accounting Officer's Responsibilities

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 Government Accounting 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  
25 JUNE 2007



LYNNE BRINDLEY  
ACCOUNTING OFFICER  
25 JUNE 2007

# Statement on internal control

## 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 Government Accounting; 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 2007 and up to the date of approval of the annual report and accounts, and accords with Treasury guidance.

## 3 CAPACITY TO HANDLE RISK

Among the activities undertaken this year:

- The review of the Library's risk management process reported in 2005/06 further progressed with the appointment to the post of Head of Integrated Risk, encompassing health and safety, disaster planning, security and business continuity. The newly-formed Risk Team further enhanced the identification, management and mitigation of risk and continued to work with Internal Audit, HM Treasury and other external bodies to produce a more dynamic risk register.
- A Board 'Away Day' in September 2006 provided an opportunity for the Board to focus on risk. As a result, a number of initiatives were developed which helped to strengthen the understanding and management of the strategic and operational risk environment within which the Library operates.
- A further Major Incident Plan exercise was carried out at St Pancras to test the capability of the Major Incident Team to respond to a significant event which could impact the site.
- In conjunction with professional forensic consultants, a review of procedures was undertaken to support the Library's determination to stamp out fraud.
- The Pandemic Flu Action Team formulated an action plan to be implemented in the event of an outbreak.
- The Corporate Programme Office developed project management methodology across the organisation. A number of project health checks, gateway reviews, workshops and training programmes took place during the year.
- During the year, collection security was identified as an area of increasing risk. The Library's Collection Security Steering Group, chaired by the Director of Human Resources, continued inter alia to oversee implementation of the Collection Security Action Plan. In order to give the Board Audit Committee additional assurance that appropriate progress was being achieved against the prioritised Action Plan, Internal Audit included this within their programme of work for the year.
- The Board Audit Committee received annual stewardship reports on the 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 seeks to meet the requirements in paragraph 2 and to embed them 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 will be enhanced with best practice from other organisations as opportunities arise.

Risks are assessed against estimation criteria approved by the Board. These criteria cover the potential impact of the risk and the likelihood of its occurrence. The risk is considered for its effect on strategy, operations, finances or reputation 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 monitoring or passing the risk on.

The Library's major areas of risk identified by this process are its funding streams, 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 by the assigned manager responsible.

Management of risk will be further embedded at all levels of the organisation and supported by an active training and education programme.

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.

#### 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, the Board Audit Committee, and the Risk Group (see below), 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

The National Audit Office audits the Library's financial statements and produces an annual management letter. NAO also carries out value for money reviews on Library activities.

##### 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.

# Statement on internal control

## continued

### 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 current members of BAC, being non-executive members of the British Library Board, are:

- Sir Henry Boyd-Carpenter KCVO (Chairman)
- Eileen Mackay CB
- Gareth Roberts

The Chief Executive, the Director of Finance & 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.

### EXECUTIVE TEAM

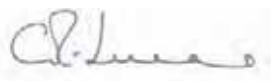
The Executive Team is responsible for operational management and for risk review in their own areas of responsibility and for championing the required culture change. Each Director is required to support the Accounting Officer by submitting a Self Certificate confirming that the Library's systems of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

### RISK GROUP

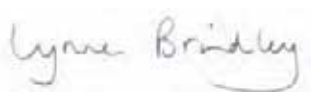
This group comprises the Head of Integrated Risk, the Compliance Officer, the IT Security Officer and the Directorate Finance Managers. It is responsible for the maintenance and management of the risk register and for ensuring that changes are reflected on a timely basis when necessary. The group is also responsible for providing advice and organising training for managers on risk management issues.

### 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.



SIR COLIN LUCAS  
CHAIRMAN  
25 JUNE 2007



LYNNE BRINDLEY  
ACCOUNTING OFFICER  
25 JUNE 2007



# 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 2007 under the British Library Act 1972. These comprise the Statement of Financial Activities, the Balance Sheet, the Cashflow 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 the Chief Executive, as Accounting Officer, are responsible for preparing the Trustees' Annual Report, the Remuneration Report and the financial statements in accordance with the British Library Act 1972 and directions made thereunder by the Secretary of State for the Department for Culture, Media and Sport with the approval of the Treasury 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 directions made thereunder by the Secretary of State for the Department for Culture, Media and Sport with the approval of the Treasury. I report to you whether, in my opinion, certain information given in the Trustees' Annual Report and Remuneration Report is consistent with the financial statements. I also report whether in all material respects the expenditure income and resources funded by Grant in Aid 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. 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 OPINION

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 judgements made by the 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 expenditure, income and resources funded by Grant in Aid 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

### Audit opinion

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 for the Department for Culture, Media and Sport with the approval of the Treasury, of the state of the British Library's affairs as at 31 March 2007 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 directions made thereunder by the Secretary of State for the Department for Culture, Media and Sport with the approval of the Treasury; and
- information given within the Trustees' Annual Report and Remuneration Report is consistent with the financial statements.

### Audit opinion on regularity

In my opinion, in all material respects, the expenditure and income 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.



JOHN BOURN  
COMPTROLLER AND  
AUDITOR GENERAL  
12 JULY 2007

NATIONAL AUDIT OFFICE  
157-197 BUCKINGHAM PALACE ROAD  
VICTORIA  
LONDON SW1W 9SP

# Statement of financial activities

FOR THE YEAR ENDED 31 MARCH 2007

	Notes	Unrestricted funds	Restricted funds	Total 2006/07	Total 2005/06 Restated
		£000	£000	£000	£000
<b>Incoming resources</b>					
<b>Incoming resources from generated funds</b>					
Voluntary income	2	21,336	10,543	31,879	10,663
Investment income	4	796	1,108	1,904	1,770
<b>Incoming Resources from charitable activities</b>					
Provision of services	3	22,083	685	22,768	24,309
Other Incoming resources	5				
Grant in Aid		102,639	–	102,639	97,562
Other income		–	–	–	2,602
<b>Total incoming resources</b>		<b>146,854</b>	<b>12,336</b>	<b>159,190</b>	<b>136,906</b>
<b>Resources expended</b>					
<b>Costs of generating funds</b>					
Costs of generating voluntary income		631	–	631	552
Investment management costs		–	4	4	30
<b>Charitable activities:</b>					
Enrich the user's experience		39,688	1,693	41,381	44,926
Build the digital research environment		2,840	3,507	6,347	3,058
Transform search and navigation		6,014	19	6,033	5,519
Grow and manage the national collection		63,156	1,720	64,876	66,006
Governance costs		554	–	554	659
<b>Total resources expended</b>	6	<b>112,883</b>	<b>6,943</b>	<b>119,826</b>	<b>120,750</b>
<b>Net increase in resources before St Pancras depreciation, notional costs and transfers</b>					
Depreciation on St Pancras assets	7	33,971	5,393	39,364	16,156
Notional cost of capital	8	(12,918)	–	(12,918)	(14,902)
Transfer between funds	19	(19,334)	–	(19,334)	(18,437)
		7,905	(7,905)	–	–
<b>Net (outgoing)/incoming resources after St Pancras depreciation, notional costs and transfers</b>					
Reversal of notional cost of capital		9,624	(2,512)	7,112	(17,183)
		19,334	–	19,334	18,437
<b>Net (outgoing)/incoming resources before recognised gains and losses</b>					
	9	28,958	(2,512)	26,446	1,254
<b>Other recognised gains/(losses)</b>					
Realised gain/(loss) from fixed asset investments		–	1,547	1,547	337
Unrealised gain/(loss)	13	–	(1,076)	(1,076)	764
Revaluation	11	8,814	–	8,814	–
Current cost adjustment	11	4,618	–	4,618	35,119
<b>Net movement in funds after revaluation</b>		<b>42,390</b>	<b>(2,041)</b>	<b>40,349</b>	<b>37,474</b>
<b>Reconciliation of funds</b>					
Fund balances brought forward at 1 April		527,487	24,267	551,754	514,280
<b>Fund balances carried forward at 31 March</b>		<b>569,877</b>	<b>22,226</b>	<b>592,103</b>	<b>551,754</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 52 to 67 form part of these accounts.

# Balance sheet

AS AT 31 MARCH 2007

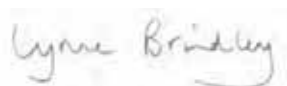
	Notes	2006/07 £000	2005/06 Restated £000
<b>Fixed assets</b>			
Intangible assets	10	4	105
Tangible assets	11	532,851	514,854
Heritage assets	12	32,135	7,085
Investments	13	9,947	9,297
		<b>574,937</b>	531,341
<b>Current assets</b>			
Stocks	15	723	976
Debtors and prepayments	16	10,148	10,052
Short-term deposits		–	10
Cash at bank and in hand	17	28,390	33,978
		<b>39,261</b>	45,016
<b>Current liabilities</b>			
Creditors: amounts falling due within one year	18	(19,273)	(20,364)
<b>Net current assets</b>		<b>19,988</b>	24,652
<b>Total assets less current liabilities</b>		<b>594,925</b>	<b>555,993</b>
Provision for liabilities and charges	20	(2,822)	(4,239)
<b>Net assets</b>		<b>592,103</b>	<b>551,754</b>
<b>Represented by:</b>			
<b>Income funds</b>			
Restricted funds	19	22,226	24,267
<b>Unrestricted funds:</b>			
General funds	19	569,877	527,487
<b>Total funds</b>		<b>592,103</b>	<b>551,754</b>

The notes on pages 52 to 67 form part of these accounts.

The financial statements on pages 49 to 51 were approved by the Board/Trustees on 21 June 2007, and were signed on their behalf by:



SIR COLIN LUCAS  
CHAIRMAN  
25 JUNE 2007



LYNNE BRINDLEY  
ACCOUNTING OFFICER  
25 JUNE 2007



# Cash flow statement

FOR THE YEAR ENDED 31 MARCH 2007

	2005/06	2004/05
£000	£000	£000
<b>Reconciliation of net movement in funds to net cash inflow from operating activities</b>		
Net movement in funds inflow	40,349	37,474
Depreciation	14,528	17,120
Donated Assets	(21,276)	(175)
Loss on asset disposals	48	–
Realised (gain) on investments	(1,547)	(337)
Unrealised (gain) on investments	1,076	(764)
MHCA adjustment net	(4,618)	(35,119)
Revaluation of property	(8,814)	–
Provision for liabilities and charges	(1,417)	1,827
(Increase)/decrease in stocks	252	(97)
(Increase)/decrease in debtors	(96)	(4,221)
Increase/(decrease) in creditors	(1,092)	5,663
<b>Net cash inflow from operating activities</b>	<b>17,393</b>	<b>21,371</b>
<b>Capital expenditure and financial investment</b>		
Purchase of tangible fixed assets	(19,038)	(9,107)
Purchase of heritage assets	(3,774)	(1,356)
Purchase of investments	(11,258)	(5,265)
Receipts from sale of tangible fixed assets	–	3
Receipts from sales of investments	11,079	3,630
<b>Net cash outflow from capital expenditure</b>	<b>(22,991)</b>	<b>(12,095)</b>
<b>Increase in cash in the year</b>	<b>(5,598)</b>	<b>9,276</b>
<b>Reconciliation of net cash flow to movement in net funds</b>		
Increase in cash in the year	(5,598)	9,276
Net funds as at 1 April	33,988	24,712
<b>Net funds as at 31 March</b>	<b>28,390</b>	<b>33,988</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, 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 take account of 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.

In addition, modified historic cost accounting has been utilised to more fairly 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 to which it relates.

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 they are assured with certainty and receivable by the Balance Sheet date.

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 has no sources of income liable to corporation tax and no provision has therefore been made.

### D) VALUATIONS

In line with Government Accounting, regular professional valuations of land and property are required to be 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.

### 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 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 written off when the expenditure is incurred.

Depreciation is provided on all intangible and tangible fixed assets costing £10,000 and above, other than freehold land and collection items. 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:

#### Freehold buildings

Over the remaining useful life as at the valuation date, up to a maximum of 50 years.

#### Leasehold buildings

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

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

3 to 20 years

#### 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.

#### Intangible/Licences

3 years

### 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 appropriate period.

### 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 bookbinding 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.

### I) OPERATING LEASES

Costs relating to operating leases are charged to the income and expenditure account 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.

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) RESERVES

The Library does not hold accumulated surpluses in the form of reserves. Grant in Aid funding is provided on an annual basis and is drawn down according to forecasted spending patterns.

Any funds arising from an excess of income over expenditure are fully earmarked in the purchase of fixed assets or are fully earmarked to meet commitments in future years.

### L) NOTIONAL COSTS

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

## 2 Donations

	2006/07	2005/06
	£000	£000
Bequest to the Eccles Fund	–	3,506
Donated assets	21,276	175
Other donations	10,603	6,982
<b>Total donations</b>	<b>31,879</b>	<b>10,663</b>

## 3 Provision of services

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

The provision of services figures for 2005/06 have been restated; refer to note 6 for explanation.

### A) CLASSES OF BUSINESS

	2006/07	2005/06
	£000	restated £000
Enrich the user's experience	18,678	19,819
Build the digital research environment	676	522
Transform search and navigation	1,800	2,287
Grow and manage the national collection	744	731
Other	870	950
	<b>22,768</b>	<b>24,309</b>

### B) GEOGRAPHICAL SEGMENTS

	2006/07	2005/06
	£000	£000
United Kingdom	13,323	14,225
Overseas	9,445	10,084
	<b>22,768</b>	<b>24,309</b>

## 4 Investment income

	2006/07	2005/06
	£000	£000
Interest receivable	1,518	1,536
Dividends receivable	386	234
<b>Total interest</b>	<b>1,904</b>	<b>1,770</b>

# Notes to the accounts continued

## 5 Other incoming resources

### Grant in Aid

Total Grant in Aid drawn down by the British Library Board was £102.6m, with £12.1m being allocated for capital projects/improvements (£97.6m received in 2005/06, £9.1m re capital). This money is available for running costs, capital improvements and collection purchases.

## 6 Net cost of resources expended

	Staff costs	Other direct costs	Depreciation <sup>1</sup>	Income	Allocated support cost	2006/07 Net cost <sup>2</sup>	2005/06 Net cost restated
	£000	£000	£000	£000	£000	£000	£000
<b>Direct costs</b>							
Costs of generating funds	478	153	–	(3)	–	<b>628</b>	552
Investment Management fees	–	4	–	–	–	<b>4</b>	29
Enrich the user's experience	19,783	6,347	595	(20,973)	13,992	<b>19,744</b>	22,125
Build the digital research environment	1,784	2,901	167	(4,461)	1,427	<b>1,818</b>	1,145
Transform search and navigation	2,955	889	–	(1,832)	2,090	<b>4,102</b>	2,953
Grow and manage the national collection	16,517	21,016	72	(27,212)	26,033	<b>36,426</b>	53,941
Governance costs <sup>3</sup>	147	407	–	–	–	<b>554</b>	659
	<b>41,664</b>	<b>31,717</b>	<b>834</b>	<b>(54,481)</b>	<b>43,542</b>	<b>63,276</b>	<b>81,404</b>
<b>Support costs</b>							
Information systems	3,916	2,756	21	(63)	(6,630)	–	–
Corporate services	18,503	19,659	755	(2,005)	(36,912)	–	–
	<b>64,083</b>	<b>54,132</b>	<b>1,610</b>	<b>(56,549)</b>	<b>–</b>	<b>63,276</b>	<b>81,404</b>

In accordance with the SORP 2005 to show the income and costs of the organisation's charitable activities, the direct cost categories used in 2006/07 have been changed to be categorised by the Library's strategic priorities. Prior year figures have been restated to the new categories for comparison. 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.

In accordance with HM Treasury disclosure requirements, in respect of fees and charges, the above table identifies the net cost of the Library's activities, which is derived by deducting provision of services, donated and investment income from total expenditure. This segmental information is not disclosed for the purpose of SSAP 25.

<sup>1</sup> The depreciation cost shown is non St Pancras depreciation, St Pancras depreciation is shown separately, see note 7.

<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 fees, legal fees, internal and external audit fees, staff costs associated with the preparation of the statutory accounts.



## A) STAFF COSTS

	BL Staff £000	Other £000	2006/07 Total £000	2005/06 £000
Wages and salaries	47,415	2,634	50,049	51,046
Social security costs	3,689	–	3,689	3,472
Pension disbursements	8,940	–	8,940	8,153
<b>Voluntary redundancy/restructuring programme for former employees</b>				
Current year costs	5,092	–	5,092	3,679
Release of provision	(5,057)	–	(5,057)	(3,637)
Provision for future costs	1,059	–	1,059	7,329
	61,138	2,634	63,772	70,042
Board Members' remuneration	311	–	311	286
<b>See (i) on following page</b>	<b>61,449</b>	<b>2,634</b>	<b>64,083</b>	<b>70,328</b>

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. 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 pay 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 2003. 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.
- Compensation lump sums, service enhancements and annual compensation payments in respect of employees who were retired early under the terms of PCSPS.

For 2006/07, employers' contributions of £8,876,234 were payable to PCSPS (2005/06 £8,127,137) at one of four rates in the range 17.1 to 26.5% of pensionable pay, based on salary bands. The scheme's Actuary reviews employer contributions every four years following a full valuation. The contribution rates reflect benefits as they are accrued, not when the costs are actually incurred, and reflect past experience of the Scheme.

Employees joining after 1 October 2002 could opt to open a partnership pension account, a stakeholder pension with an employer contribution. Employers' contributions are paid to one of four appointed stakeholder pension providers. 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.

# Notes to the accounts continued

## 6 Net cost of resources expended continued

### i) BOARD MEMBERS' REMUNERATION

	2006/07 £000	2005/06 £000
Fees and salaries	283	261
Other emoluments	28	25
	<b>311</b>	<b>286</b>

### REMUNERATION FOR NON-PENSIONABLE BOARD MEMBERS

	2006/07 £000	2005/06 £000
Sir Henry Boyd-Carpenter KCVO	8.9	8.3
Robin Broadhurst CBE	8.9	8.3
Professor Robert G Burgess	8.9	8.3
Sheila Forbes CBE	8.9	8.3
Duncan Lewis	2.2	8.3
Eileen Mackay CB	8.9	8.3
Simon Olswang	8.9	8.3
Dr Gareth W Roberts	8.9	8.3
Sir Colin Lucas		8.3
	<b>64.5</b>	<b>74.7</b>

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. Sir Colin Lucas's remuneration details for 2006/07 are shown in the following table. During the year a total of £3,200 (£7,500 in 2005/06) has been paid to 6 (6 in 2005/06) Board members for travel expenses.

The remuneration paid and pension entitlements of the Executive Team and the Chairman, were as follows:

		Remuneration paid £000	Real increase in pension at 60 £000	Total accrued pension at 60 as at 31 March 2007 £000	Cash Equivalent Transfer Value		
					As at 1 April 2006 £000	As at 31 March 2007 £000	Real increase in year £000
Lord Eatwell, Chairman (to 1/9/06)	2006/07	15 – 20	0 – 2.5	2.5 – 5	51	54	3
	2005/06	30 – 35					
Sir Colin Lucas, Chairman (from 1/9/06)	2006/07	20 – 25					
	2005/06	05 – 10					
Lynne Brindley, Chief Executive	2006/07	175 – 180	2.5 – 5	55 – 57.5 Plus lump sum of 137.5 – 140	1,124	1,217	46
	2005/06	150 – 155					
Richard Boulderstone, Director	2006/07	115 – 120	2.5 – 5	15 – 17.5	195	238	23
	2005/06	100 – 105					
Mary Canavan, Director	2006/07	105 – 110	0 – 2.5	42.5 – 45	614	652	19
	2005/06	90 – 95					
Clive Field, Director (to 31/12/06)	2006/07	85 – 90	0 – 2.5	37.5 – 40 Plus lump sum of 112.5 – 115	775	840	18
	2005/06	95 – 100					
Jill Finney, Director	2006/07	120 – 125	0 – 2.5	10 – 12.5	123	149	21
	2005/06	100 – 105					
Steve Morris, Director from (9/1/06)	2006/07	110 – 115	0 – 2.5	45 – 47.5	6	642	74
	2005/06	25 – 30					
Phil Spence, Director from (23/10/06)	2006/07	40 – 45	0 – 2.5	0 – 2.5	0	9	7
Ronald Milne, Director from (5/02/07)	2006/07	10 – 15	0 – 2.5	0 – 2.5	0	4	0

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

The cash equivalent transfer value (CETV) is an additional disclosure requirement resulting from The Directors' Remuneration Report Regulations 2002. The CETV is the actuarially assessed capitalised value of the pension schemes benefits accumulated by a member at a particular point in time.

The increase in Steve Morris's CETV value in the year is due to a transfer in of entitlements from other public sector pension schemes.

## ii) SENIOR EMPLOYEES

The following number of employees, excluding the executive team, members of the British Library Board and the Chairman, received remuneration falling within the following ranges:

	2006/07	2005/06
	No.	No.
£60,001 – £70,000	12	16
£70,001 – £80,000	5	4
£80,001 – £90,000	3	–

In accordance with the SORP 2005, for 2005/06 emoluments are reported in bands from £60,000.

The average full time equivalent (FTE) staff during the year was:

			2006/07	2005/06
	Staff directly employed by the British Library	Others	Total (FTE)	Total (FTE)
Chief Executives Office	4	–	4	4
e-Strategy and Programmes	118	5	123	114
Finance and Corporate Resources	212	22	234	251
Human Resources	29	7	36	36
Operations and Services	898	21	919	891
Scholarship and Collections	576	2	578	745
Strategic Marketing and Communication	112	5	117	99
	<b>1,949</b>	<b>62</b>	<b>2,011</b>	<b>2,140</b>

## B) OTHER DIRECT COSTS

	2006/07	2005/06
	£000	£000
Acquisitions for the collections	15,334	14,433
Research and other grants	–	–
Conservation and binding services	2,593	2,919
Administration, equipment, supplies and services	35,577	30,347
Non-recoverable VAT (net)	580	505
Loss on disposal of fixed assets	48	–
	<b>54,132</b>	<b>48,204</b>

The above table is exclusive of staff costs.

# Notes to the accounts continued

## 7 Depreciation on St Pancras assets

Due to the significant amount involved, depreciation on the total value of assets transferred in December 1997 from the Department for Culture, Media and Sport, for no consideration, is shown separately in the Statement of Financial Activities. This amount represents a full year's depreciation (£12.9m).

## 8 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 2006/07 was £19.3 million (£18.4 million 2005/06).

## 9 Resources expended

This is stated after charging:

	2006/07 £000	2005/06 £000
Auditors' remuneration	49	49
Rent on land and buildings	1,423	1,424
Lease/rental payments on equipment	335	407
Depreciation on intangible assets	101	370
Depreciation on St Pancras assets	12,918	14,902
Depreciation on other fixed assets	1,509	1,848

## 10 Intangible assets

	Licences 2006/07 £000	Licences 2005/06 £000
<b>Cost</b>		
At 1 April	1,182	1,182
Additions	–	–
Disposals	(240)	–
At 31 March	942	1,182
<b>Depreciation</b>		
At 1 April	1,077	707
Charge for year	101	370
Disposals	(240)	–
At 31 March	938	1,077
<b>Net book value at 31 March</b>	<b>4</b>	<b>105</b>

All intangible assets have been valued on the basis of purchase price. The assets are all depreciated over a period of three years which is consistent with the IT equipment that the licence supports.



## 11 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 2006	404,455	143,468	10,965	115	6,899	9,207	575,109
Additions	14	2,396	265	21	980	15,362	19,038
Transfer	13,926	–	–	–	–	(13,926)	–
Revaluation	3,344	5,470	–	–	–	–	8,814
Modified Historic Cost Accounting (MHCA) adjustment	4,694	–	–	–	–	–	4,694
Disposals	(60)	(507)	(253)	(10)	(314)	–	(1,144)
At 31 March 2007	426,373	150,827	10,977	126	7,565	10,643	606,511
<b>Depreciation</b>							
At 1 April 2006	8,334	36,589	10,224	62	5,046	–	60,255
Charge for year							
– St Pancras assets	5,521	7,296	24	–	77	–	12,918
– Other assets	553	446	50	16	443	–	1,508
MHCA adjustment	76	–	–	–	–	–	76
Disposals	(13)	(507)	(253)	(10)	(314)	–	(1,097)
At 31 March 2007	14,471	43,824	10,045	68	5,252	–	73,660
<b>At 31 March 2007</b>	<b>411,902</b>	<b>107,003</b>	<b>932</b>	<b>58</b>	<b>2,313</b>	<b>10,643</b>	<b>532,851</b>
At 31 March 2006	396,121	106,879	741	53	1,853	9,207	514,854

Assets in the Course of Construction (AICC) represent work on the design and build of two separate building projects, being the Centre for Conservation at St Pancras and the Additional Storage Programme at Boston Spa. During the year the construction of the Centre for Conservation was completed, the building was valued as at 31 March 2007 using the 'depreciated replacement cost' and the costs reclassified into Land and buildings and Plant and machinery.

### B) VALUATIONS

The land and buildings as at 31 March 2007 include two properties valued at £31,720,000 on 31 March 2004 and one building, St Pancras, valued at £441,660,000 (including £102.7m of mechanical equipment that has been classified as Plant and machinery) on 31 March 2005, in addition to the main St Pancras building the St Pancras Centre for Conservation was valued at £17,270,000 on 31 March 2007, for which title has been vested in the British Library Board.

Site		Land £000	Buildings £000	Totals £000
St Pancras – Main building	Freehold	63,000	378,660	441,660
St Pancras – Conservation Centre	Freehold	4,500	12,770	17,270
Boston Spa	Freehold	4,000	22,200	26,200
Colindale Avenue	Freehold	2,425	3,095	5,520
		<b>73,925</b>	<b>416,725</b>	<b>490,650</b>

The St Pancras site was valued as at 31 March 2005 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 2004 by Drivers Jonas, using the 'Worth for Existing Use' basis of valuation.

The St Pancras Centre for Conservation was valued as at 31 March 2007 by Drivers Jonas, Chartered Surveyors, 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.

# Notes to the accounts continued

## 12 Heritage assets

	Collections purchased £000	Collections donated £000	Total £000
<b>Heritage assets</b>			
Cost or valuation at 1 April 2006	6,704	381	<b>7,085</b>
Additions	3,774	21,276	<b>25,050</b>
Disposals	-	-	-
<b>At 31 March 2007</b>	<b>10,478</b>	<b>21,657</b>	<b>32,135</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 have an infinite life.

Donated assets are valued using an independent valuation.

## 13 Investments

	2006/07 £000	2005/06 £000
Market value at 1 April	<b>9,297</b>	6,561
Purchases at cost	<b>11,258</b>	5,265
Disposals at book value	<b>(9,532)</b>	(3,293)
Unrealised (loss)/gain	<b>(1,076)</b>	764
Market value at 31 March	<b>9,947</b>	9,297
<b>Analysed by</b>		
Fixed Interest Securities	<b>2,154</b>	4,851
Listed UK Securities	<b>7,395</b>	4,061
Listed Overseas Securities	<b>398</b>	385
	<b>9,947</b>	9,297
<b>Geographical analysis</b>		
United Kingdom Investments	<b>9,549</b>	8,912
Overseas Investments	<b>398</b>	385
	<b>9,947</b>	9,297

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

There was significant purchase and disposal activity within the investments during the year this is due to the Library changing investment managers. The change resulted in the old portfolio being liquidated to purchase the new portfolio.

## 14 Financial instruments

FRS 13 'Derivatives and other financial instruments', requires disclosure of the role which financial instruments have had during the period, in creating or changing the risks the Library faces in undertaking its activities.

As permitted by FRS 13, debtors and creditors, which mature or become payable within 12 months of the Balance Sheet, have been omitted from this note.

### LIQUIDITY RISK

Apart from Grant in Aid, the Library's other major source of income is from Document Supply Services. Remote document supply is demand led and due to competition from other providers and an increase in the availability of electronic media from publishers, the income from this service has continued to decline. Efforts have and will continue on maintaining the viability of the service at the gross contribution level. We are also actively exploring new income sources for the Library.

#### INTEREST RATE RISK

The Library has financial investments which are identified in the table below. In addition, the Library budgets conservatively for investment income and is therefore not exposed to significant interest rate risk.

#### 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.

	2006/07			Total £000	2005/06 Total £000
	Floating Rate £000	Fixed Rate £000	Listed Securities £000		
Sterling	26,539	2,154	7,793	<b>36,486</b>	42,484
Dollar	158	–	–	<b>158</b>	437
Euro	1,652	–	–	<b>1,652</b>	314
Yen	41	–	–	<b>41</b>	50
<b>Total</b>	<b>28,390</b>	<b>2,154</b>	<b>7,793</b>	<b>38,337</b>	<b>43,285</b>

#### FOREIGN CURRENCY RISK

The British Library has an international customer and supplier base. Accordingly, the Library both receives and makes payment for goods and services in a number of foreign currencies.

As part of the Library's Treasury Management Strategy, the risk of fluctuations in currency values is minimised through a variety of policies including currency accounts.

Foreign currency balances are reviewed on a regular basis and these are either recycled to meet the Library's immediate foreign payment commitments or, they are translated into sterling and returned to the Library's interest bearing sterling bank account.

### 15 Stocks

	2006/07 £000	2005/06 £000
Stocks for resale	<b>436</b>	680
Raw materials	<b>287</b>	296
<b>Total stocks</b>	<b>723</b>	<b>976</b>

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

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

### 16 Debtors and prepayments

	2006/07 £000	2005/06 £000
<b>Amounts falling due within one year</b>		
Trade debtors	<b>3,131</b>	3,440
Other debtors	<b>2,037</b>	1,712
Prepayments and accrued income	<b>4,980</b>	4,900
	<b>10,148</b>	<b>10,052</b>

*For the purpose of the Whole of Government Accounts (WGA), there are no material debtors.*

# Notes to the accounts continued

## 17 Cash at bank and in hand

	2006/07	2005/06
	£000	£000
Restricted funds	12,654	15,530
Monies held on deposit for customers	4,247	4,400
Cash balances	11	13
General funds	11,478	14,035
	<b>28,390</b>	<b>33,978</b>

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

## 18 Creditors

	2006/07	2005/06
	£000	£000
<b>Amounts falling due within one year</b>		
Trade creditors	2,695	1,092
Monies held on deposit for customers	4,247	4,400
Other creditors	4,180	3,897
Accruals	6,727	7,293
Deferred income	600	277
Provisions due within one year	824	3,405
	<b>19,273</b>	<b>20,364</b>

*For the purpose of the Whole of Government Accounts (WGA), there are no material creditors.*



## 19 Statement of funds

	As at 1 April 2006	Transfers to/(from)	Expenditure	Incoming resources	Realised and unrealised gains and losses	As at 31 March 2007
	£000	£000	£000	£000	£000	£000
<b>Unrestricted funds</b>						
General funds	527,106	185	125,986	139,010	–	540,315
Donated asset reserve	381	–	–	21,276	–	21,657
<b>Total unrestricted funds</b>	<b>527,487</b>	<b>185</b>	<b>125,986</b>	<b>160,286</b>	<b>–</b>	<b>561,972</b>
<b>Restricted funds</b>						
Eccles	7,675	–	201	364	344	8,180
Shaw Fund	4,830	–	500	303	–	4,633
Dingwall No. 2	1,000	–	16	28	67	1,079
Sacred	88	(2)	304	1,125	–	907
Planets	–	–	765	1,635	–	870
Centre for Conservation	2,346	2,730	5,945	1,537	–	668
Research Libraries Network	(7)	–	587	922	–	328
Sir Henry Thomas	286	–	1	8	19	312
Codex Sinaiticus	151	(47)	28	193	–	269
Sound Archive	2,897	(2,730)	1	92	–	258
The Sir John Ritblat Gallery: Treasures of the British Library	131	–	55	173	–	249
Consolidated Endowment	305	–	140	77	1	243
JISC: British Newspapers	627	(176)	897	673	–	227
Cataloguing Projects Fund	85	(17)	647	798	–	219
Membership/General Donations	372	(263)	–	96	–	205
Chinese Central Asia database	320	21	372	229	–	198
VOC's in Books Project	–	196	11	10	–	195
Bigot French Acquisitions	–	250	73	16	–	193
Condition of Identical books in national libraries	–	196	28	9	–	177
Endangered Archives	202	–	575	546	–	173
European Co-operation Fund	162	–	4	7	–	165
T S Blakeney	144	–	1	4	9	156
Survey of illuminated manuscripts	16	–	4	144	–	156
Special exhibitions	140	–	–	9	–	149
Anthony Panizzi Foundation	138	–	4	3	10	147
Turning the Pages	95	(3)	133	174	–	133
Co-operation and Partnership	101	–	(17)	5	–	124
Workshop Gallery	145	–	64	5	–	86
North American Collections	89	–	7	4	–	86
Sir Adrian Boulton	76	–	1	3	3	81
Bridgewater Fund	73	–	–	2	5	80
Fitzgerald Airmail Fund	68	–	–	2	5	75
Warwick Festivals	70	–	–	3	–	73
Codex Sinaiticus Project II	–	–	45	115	–	70
Hazlitt fund	50	–	–	1	3	54
Web Archive Consortium	108	–	87	33	–	54
Collections Fund	74	(21)	3	3	–	53
National Preservation Office	80	51	165	85	–	51
BIPC	–	–	–	50	–	50
Others	1,310	(383)	1,539	1,579	5	972
<b>Total restricted funds</b>	<b>24,247</b>	<b>(198)</b>	<b>13,186</b>	<b>11,065</b>	<b>471</b>	<b>22,399</b>
Other (deficit funds)	20	13	1,477	1,271	–	(173)
Transfer to general funds	–	–	(7,905)	–	–	7,905
<b>Total funds</b>	<b>551,754</b>	<b>–</b>	<b>132,744</b>	<b>172,622</b>	<b>471</b>	<b>592,103</b>

# Notes to the accounts continued

## 19 Statement of funds continued

Restricted funds are given to the Library for specific purchases for the collection or projects, which are related to the aims and objectives of the Library. All the funds with balances of over £50,000 at 31 March 2007 are listed above, with a brief description as to the aims of the fund shown below, 'Other' restricted funds comprise individual amounts less than £50,000.

The restricted funds in deficit at the year end represent 11 funds for which, due to the administration restrictions of these funds, costs are expended first and then reclaimed from the external funding organisations and all future income streams should more than cover the shortfall and future costs involved in the projects.

Included within the Restricted Fund expenditure are costs in relation to the purchase of fixed assets totalling £7.9 million. These assets have been transferred from the restricted funds reserve to the unrestricted general fund.

The transfers of £185,000 relate to internal charges applied to the restricted funds for the use of Library facilities and services. Included within the transfers is £2.7 million from the Sound Archive Trust to The British Library Conservation Centre, the Sound Archive Trustees agreed to fund part of the construction of the Conservation Centre relating to the conservation of sound.

### 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.

### SHAW FUND

Established by a Charity Commission order dated 13 September 2000, with the income being available for the general purpose 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.'

### DINGWALL NO. 2

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

### SACRED

Funding for an exhibition and related public programmes on the subject of Judaism, Christianity and Islam.

### 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.

### CENTRE FOR CONSERVATION

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

### RESEARCH INFORMATION NETWORK

Arising from the recommendations of the Research Support Libraries Group, a new body, the Research Library Network has been created the British Library has three partners in the network the UK Higher Education Funding Council and the National Library of Wales and Scotland. The Network's aim is to develop, prioritise and lead the implementation of a UK-wide strategy for research information provision and is funded for three years.

### SIR HENRY THOMAS

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

### CODEX SINAITICUS

A team of experts from the UK, Europe, Egypt, Russia and the US have joined together to reunite the Codex in virtual form. This unprecedented collaborative approach to achieve reunification involves all four of the institutions at which parts of the manuscript are held: St Catherine's Monastery, Sinai, the British Library, the University of Leipzig and the National Library of Russia.

### SOUND ARCHIVE

For the promotion of and assistance in the study, understanding, communication and recording of sound.

### THE SIR JOHN RITBLAT GALLERY: TREASURES OF THE BRITISH LIBRARY

A donation from Sir J H Ritblat.

### 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.

### JISC: BRITISH NEWSPAPERS 1800 – 1900

To digitise two million pages of British national, regional and local newspapers from microfilm and to offer access to that collection via a sophisticated searching and browsing interface on the Web.

### CATALOGUING PROJECTS FUND

A collection of 'mini' projects to support scholarship and collection cataloguing activities.

### 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.

### 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.

### VOC'S IN BOOKS PROJECT

The Volatile Organic Compounds (VOCs) in Books project involves the analysis of VOCs emitted by books and their correlation with the mode and degree of deterioration of the books.

### SPRATT-BIGOT BEQUEST

For the purchase of works in French by French authors.

### CONDITION OF IDENTICAL BOOKS IN DIFFERENT NATIONALLY SIGNIFICANT LIBRARIES

The project will involve assessing the condition of identical books stored in different libraries, and correlating their condition with the environment they have experienced.

#### 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.

#### 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.

#### T S BLAKENEY

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

#### SURVEY OF ILLUMINATED MANUSCRIPTS

These funds represents a grant from the Getty Foundation for two catalogues to catalogue the illuminated manuscripts in the Harley collection for the Catalogue of Illuminated Manuscripts.

#### SPECIAL EXHIBITIONS

Funding for future exhibitions.

#### 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.

#### TURNING THE PAGES

To fund the development of the Turning the Pages electronic facsimile and licence to Northumberland County Council.

#### CO-OPERATION AND PARTNERSHIP

Used for fees in respect of advice given by British Library staff on library-related lottery applications.

#### WORKSHOP GALLERY

Sponsorship from commercial companies, used to assist the running and maintenance of the Gallery.

#### NORTH AMERICAN COLLECTIONS

A fund to enable the strengthening of the resources for American studies in the British Library.

#### SIR ADRIAN BOULT

Founded through a public appeal, for commissioning and production of recordings of musical lectures or similar functions.

#### BRIDGEWATER FUND

The trust was founded in 1829, by late Francis Henry – Earl of Bridgewater, and is for the purchase of manuscripts for addition to the Bridgewater collection.

#### FITZGERALD AIR-MAIL FUND

The trust was founded in 1953 by Mrs Fitzgerald with the aim to preserve and catalogue the Fitzgerald Airmail Collection of stamps.

#### WARWICK FESTIVALS

An Arts and Humanities Research Board funded project with the University of Warwick to aid the digitisation of Renaissance Festival books in the collections of the British Library.

#### CODEX SINAITICUS PROJECT II

For the preservation of Greek written heritage.

#### HAZLITT

For the purchase of Early English books.

#### WEB ARCHIVE CONSORTIUM

A programme to review the capability to discover and select, capture and store material relevant to the national collection published only in web form. The programme is to be developed via a series of collaborative projects with international partners.

#### GENERAL RESTRICTED FUNDS FOR THE BRITISH LIBRARY COLLECTIONS

To support the work of Scholarship and Collections.

#### NATIONAL PRESERVATION OFFICE

Contributions to the cost of running the office, with the aim of progressing a national preservation policy.

#### BUSINESS & IP CENTRE

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

# Notes to the accounts continued

## 20 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 2007/08.

	2006/07	2005/06
	Total	Total
At 1 April	7,644	3,952
Additional provision	1,059	7,329
Utilisation of provision	(5,057)	(3,637)
At 31 March	3,646	7,644
Less: portion included in creditors due within one year	(824)	(3,405)
Amounts falling due after one year	2,822	4,239

## 21 Commitments under operating leases

	Land and buildings		Equipment	
	2006/07 £000	2005/06 £000	2006/07 £000	2005/06 £000
<b>Operating leases which expire</b>				
Within one year	–	157	7	39
Two to five years	1,238	317	18	33
More than five years	8	901	–	–
	1,246	1,375	25	72

## 22 Analysis of net assets between funds

	Unrestricted funds £000	Restricted funds £000	Total £000
<b>Fund balances at 31 March 2007 are represented by</b>			
Intangible fixed assets	4	–	4
Tangible fixed assets	532,851	–	532,851
Heritage assets	32,135	–	32,135
Investments	–	9,947	9,947
Current assets	26,607	12,654	39,261
Current liabilities	(18,898)	(375)	(19,273)
Non-current liabilities	(2,822)	–	(2,822)
<b>Total net assets</b>	<b>569,877</b>	<b>22,226</b>	<b>592,103</b>

## 23 Capital commitments

	2006/07 £000	2005/06 £000
Contracted and not provided for	14,536	10,591
Authorised, but not contracted for	598	22,105

The capital commitment figures include the contracted and authorised costs (£14.9m) for the building in the course of construction, the Additional Storage Programme at Boston Spa.

## 24 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.

- It loaned material to the National Portrait Gallery, the British Museum, the Victoria and Albert Museum and the Tate Modern.
- It borrowed material from the British Museum and the Museum of London.

During the year a number of Board members have contributed to the Library's Adopt a Book appeal.

The Library sets aside space 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	Relationship	Income 2006/07 £000	Expenditure 2006/07 £000	Nature of transaction
Higher Education Funding Council England (HEFCE)	A member of Quality, Learning and Teaching committee at HEFCE served on the Board of the British Library	1,888	24	Contribution to Newspaper Digitisation, Sound Archival recordings and Research Libraries Network project. Payment for Zetoc development.
University of Glasgow	The spouse of the Principal and Vice Chancellor of the related party served on the Board of the British Library	–	31	Payment of the first instalment of funding for the Planets project.

## 25 Post Balance Sheet events

There were no adjusting Post Balance Sheet events.

The accounts were authorised for issue on 24 July 2007 by the Accounting Officer.

## 26 Contingent liabilities

The British Library has no contingent liabilities.

## 27 Trust funds (unaudited)

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 the table below:

	2006/07 £000	2005/06 £000
Income	13	12
Expenditure	(15)	(16)
Unrealised gains on investments	–	27
<b>Surplus/(deficit) for the year</b>	<b>(2)</b>	<b>23</b>
Investments	309	309
Short-term deposits	4	4
Net debtors	–	1
Cash at bank	39	40
<b>Net assets</b>	<b>352</b>	<b>354</b>

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