

THE NATIONAL LIBRARY OF WALES

ANNUAL ACCOUNTS 2000/2001

COUNCIL'S ANNUAL REPORT

Statutory Background

The National Library of Wales was founded by Royal Charter of Incorporation granted 19 March 1907 (and Supplemental Charter with further provisions for constitution and government on 5 September 1911). A further Supplemental Charter was granted on 27 April 1978. During 2000/2001 it was funded predominantly from Government grants provided through the National Assembly for Wales. These accounts have been prepared in accordance with the Direction made by the National Assembly for Wales with the approval of the Treasury under Section 9(4) of the Museums and Galleries Act 1992. A copy of the Direction is available from the Director of Finance.

The Library is organised into four departments: Printed Books, Manuscripts and Records, Pictures and Maps, and Administration and Technical Services. In 2000/01 the Library commenced a process to reorganise the structure into the following departments : Department of Collection Services, Department of Public Services, Department of Corporate Services and the Librarian's Department. This reorganisation will not result in any change in policy. It is one of six legal deposit libraries in the United Kingdom and Ireland. The Library has been approved as a repository for memorial records by the Master of the Rolls in 1926; for the Archives of the Church in Wales, deposited in 1934, and the Records of the Church in Wales deposited in 1944. By direction of the Probate Division the Ecclesiastical Probate Records were transferred to the Library in 1945. In 1960 it was appointed a repository for certain records under the Public Records Act, 1958.

Objects

The principal objects of the Library are the collection, preservation and maintenance of printed, graphic and audio-visual material and manuscripts and records relating to the Welsh and Celtic peoples, and materials for the furtherance of higher education and literary and scientific research, as laid down within the Objects of the Library in its Royal Charters.

Charity

The Library is a registered charity, charity No 525775, VAT No 122 1209 32.

Core Functions

The operations of the Library are characterized by continuing programmes of work rather than by short-term projects. The following core functions represent the fundamental work the Library must carry out if it is to fulfill its Charter. They therefore constitute the essential and ongoing business of the Library. It is not

envisaged that these core functions will change:

1. provide an effective and timely service to near and remote users by delivery and enquiry services and by the provision of automated and manual catalogues and handlists.
1. collect materials by legal deposit, purchase, donation, bequest, exchange, and deposit ,according to defined collection development policies drawn up in accordance with the terms of the Charter, and process and store materials acquired.
1. preserve and conserve materials in the collections.
1. interpret and publicise the collections by means of guides, publications, printed and online bibliographies, exhibitions, lectures and any other appropriate means, and produce and maintain the national bibliographies.
1. provide expert and professional input and collaboration at a Welsh, UK, and international level.

These core functions are supported by appropriate management structures, effective financial controls, and staff training and development programmes.

Results and Appropriations

The accounts are prepared under Section 9(4) of the Museums & Galleries Act 1992 in a form directed by the National Assembly for Wales with the approval of the Treasury. The Library's net incoming resources for the financial year were £0.189m (1999-00 incoming £0.028m). The Library's incoming resources totalled £8.641m (1999-00 £7.220m) and total resources expended before notional costs were £8.452m (1999-00 £7.192m). Fund balances at 31 March 2001 stood at £46.915m (2000 £46.921m).

The Library's performance against its targets is reported to the National Assembly for Wales as follows:

		Target	Actual
1	Retroconversion Programme: Welsh Language Records	7,000	8,871
2	Customer Care: delivery times	90%	89.7%

3	Visitor Numbers	52,500	96,563

These are set out with supporting comments in the Library's Annual Report.

Review of Activities

The organisation's principal activities relate to its objects as defined above.

Development of activities is reported upon in the Annual Report of which these Annual Accounts form a part.

Valuation of Tangible Fixed Assets

The Library commissioned a revaluation by the Valuation Office Agency of the Library building and freehold land during 2000/2001 in accordance with Treasury regulations and current cost accounting directions to public bodies. Land is shown at open market value and other tangible fixed assets at depreciated replacement cost, and values are adjusted annually by indexation between each formal valuation.

Fixed Assets

The most significant changes in fixed assets during the year were:

- i. Purchase of computer hardware and improvements to the network within the Information Systems Strategy.
- i. Replacement of the Library's central heating system as part of the enabling works for the Visitor Experience scheme.

Theft from the Library's Collection

In February 2001, Library staff were alerted to the theft of approximately 70 plates of historic rare maps from the Library's collection. The current market value of these maps has yet to be determined, however it is estimated by the Acting Keeper of Pictures and Maps to be significant.

Following discovery of the theft, the Library undertook a thorough review of the circumstances and has implemented a number of measures to improve the physical security of the collection. The results of this review were communicated to officials of the National Assembly for Wales in April 2001, in accordance with Treasury requirements.

As noted in Note 1 to these Accounts, it is the accounting policy of the Library not to include a valuation for the Collection within the Balance Sheet, as these assets are considered to be inalienable. Accordingly, no

write-off of the estimated value of the stolen maps has been charged to the Statement of Financial Activities.

Charities Statement of Recommended Practice

The Charity Commissioners issued a Statement of Recommended Practice (SORP) for charities in October 1995. The Library has complied with the SORP since the 1996/97 accounts.

Future Developments

The Library has prepared its corporate plan which is entitled "Digital Library, Open Library". This document identifies the two main priorities for the development of the Library in the period to 2003/04 which are:

1. The Digital Library Initiative - this aims to reach a wider indeed, worldwide audience by making as much information as possible available to users across the internet. It has three programmes. They aim to:

- complete the online listing of the Library's contents
- mount digital, online copies of items from the collections
- collect, store and make available non-print (mainly electronic) publications that will flow from new legislation extending the scope of legal deposit

2. The Open Library Initiative - this will open up the Library to groups, like lifelong learners, not traditionally served in the past. Its three programmes aim to:

- establish a visitor centre as an extension to the Library's existing building. Funds from the Heritage Lottery Fund, National Assembly and the Library will enable this project to go ahead between 2000 and 2003. Extra funding will enable us to make the most of the new facilities by employing staff dedicated to serving visitors. Stage 1 approval has been given to the bid, and stage 2 approval will be sought in 2001/02.
- put into practice a new Education and Learning Strategy drawn up in 2000-2001, and begin to exploit the collections for learning as well as research
- open 'points of presence' in strategic locations in other parts of Wales, as a window on to the Library, attracting those who would not otherwise come to Aberystwyth.

Employment of Disabled People

The National Library of Wales operates a non-discriminatory recruitment procedure and is always prepared to consider applications from, and to appoint, disabled persons. Further, the Library makes every effort to ensure that disabled employees are provided with the facilities necessary to carry out their employment effectively.

Policy on the Payment of Creditors

The Library operates a monitoring procedure to measure the Library's performance against the Confederation of British Industry's "Better Payment Procedure Code". During 2000/01, 94% of authorised invoices were paid within 30 days.

The Euro

The Library believes that the introduction of the euro will not have a significant impact on its operations or its accounts.

Consultation with Employees

The National Library of Wales communicates information to staff by various methods including staff meetings, team briefing sessions, open memoranda, memoranda to Heads of Departments, consultation and negotiation with the Whitley Council and with the Trade Unions.

Court / Council Members

The executive authority is the Council which is responsible for the management and administration of the finances and property of the Library in which is vested all monies contributed by the Treasury or derived from other sources and all lands, buildings, or gifts in kind devised or granted for the purpose of the institution. For the purpose of compliance with the Statement of Recommended Practice 'Accounting by Charities', the role of Trustee is performed by the Council.

Schedules of Court and Council members who acted during the course of the year to 31 March 2001 are appended to this foreword.

Members of court are appointed either by virtue of the library office they hold, by one of a list of specified bodies or by co-option by the court itself.

The members of the Court and Council do not receive any emoluments and the Library depends upon them to attend meetings and other events in a voluntary capacity.

Advisers

Bankers	National Westminster Bank, Aberystwyth
Solicitors	Edwards Geldard, Cardiff
Internal Auditors	Bentley Jennison, Bristol
Investment Brokers	Carr Sheppards Crosthwaite, London

Auditor

The Accounts are audited by the Auditor General for Wales in accordance with Section 9(8) of the Museums and Galleries Act 1992 for Wales.

Andrew M W Green

LIBRARIAN & ACCOUNTING OFFICER

Conrad L Bryant

TREASURER OF THE COUNCIL

24 August 2001

The National Library of Wales

Aberystwyth SY23 3BU

COURT OF GOVERNORS

President

R Brinley Jones, CBE, MA, DPhil, HonDLitt, FSA

Vice-President

T A Owen, MA (Oxon), MA (Wales), FRSA (deceased August 2000)

W J Phillips, MA, LLB (appointed 23rd February 2001)

Treasurer

Conrad L Bryant, CPFA

Members of Parliament for Wales

Barry Jones, BSc (Econ)

Richard Livsey MSc (Agric)

John Marek BSc, PhD, FRAS

Betty Williams, BA

Appointed by The National Assembly for Wales

Sandra J Anstey, PhD, PGCE

J Elfed Evans

Miss Katherine Hughes, BA, MSc, MRTPI, FRSA

Ian C Lovecy, MA, PhD, HonFLA

The University of Wales

Professor Keith Robbins, MA, DPhil, DLitt, FRSE, FRHistS

The Constituent Institutions of the University of Wales

University of Wales, Aberystwyth

Professor Derec Llwyd Morgan, BA, DPhil, DLitt

University of Wales, Bangor

Nigel Soane, MA, DipLib, ALA

University of Wales, Cardiff

Professor John Percival, MA, DPhil, FSA

University of Wales, Swansea

Chris West, DipLib, ALA

University of Wales College of Medicine

Professor John M Lancaster, MPhil, ALA (resigned July 2000)

University of Wales, Lampeter

Dr J Cartwright

University of Glamorgan

Jeremy Atkinson, BSC, MPhil, DipLib, ALA

Colleges in Wales recognised by Ordinance as being Public Sector Colleges

Geraint Thomas

The Welsh Joint Education Committee

Councillor L J Rees, CEng, MIEE

The Governing Body of Jesus College, Oxford

Professor T M O Charles-Edwards MA, DPhil

Library and Information Services Council (Wales)

Linda Tomos, BLib

Appointed by the British Library Board

David Bradbury, MA, ALA, MIInfSc

Welsh Local Government Association

Councillor Meirick Lloyd Davies

J Lloyd Ellis

Mary John

Councillor W E Skinner

Councillor M J Phillips

Ceredigion County Council

Councillor J Geraint Jenkins, MA, DscEcon, FSA, FMA

Aberystwyth Town Council

Councillor Llinos Roberts-Young

The Welsh Library Association

Rhys Bebb Jones

The Arts Council of Wales

Dr Hazel Walford Davies

Welsh Books Council

Miss Gwerfyl Pierce Jones, MA

Confederation of British Industry (Wales)

Robert A Salisbury, LIB

The Trades Union Congress in Wales

Geraint Davies

The Court of Governors of the National Museums and Galleries of Wales

Mrs Susan J Davies, BA, DAA, PhD

The Association of Friends of the National Library of Wales

Mrs Nesta Lloyd, MA, DPhil, DAA

Art Galleries in Wales

Michael Freeman, Bsc

The Workers' Educational Association in Wales

Gail Morgan

Co-opted by the Court of Governors

Professor Emeritus Ieuan Gwynedd Jones, MA, Dlit, FRHistS (resigned 2000)

Professor Emeritus Deidre Beddoe

Alun Creunant Davies, MA

Dr Ceri Davies, Dlit

The Very Reverend J Wyn Evans, BA, BD, FSA, FRHistS

J Arfon Hughes, BArch(Wales)

Roy Luff, OBE, DL, MSc, CEng, FIM, FIEE, FRSA

Handel M Morgan, MBE

Professor Elan Closs Stephens, MA

John Watkin, FRSA

THE COUNCIL

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Co-opted by the Council

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W Gwyn Williams, OBE, MInstAM, HonFLA, FRSA

Handel M Morgan, MBE

Professor Peter H Morgan, BA, PhD

Professor D Hywel Roberts, MA, DipLib, ALA

Roy Luff, OBE, DL, MSc, CEng, FIM, FIEE, FRSA

SENIOR STAFF

Librarian

Andrew M W Green, MA DipLib, ALA

Keeper of Pictures and Maps

D Huw Owen, BA, PhD, DAA (Retired 28th February 2001)

Keeper of Manuscripts and Records

Gwyn Jenkins, MA

Keeper of Printed Books

W Rhidian M Griffiths, MA, MLitt, PhD, DipLib, ALA

Director of Administration and Technical Services

Mark W Mainwaring, MA, Solicitor, MIMgt

Director of Finance

David H Michael, C.P.F.A.

Acting Keeper of Pictures and Maps

D Michael Francis, BA (from 1st March 2001)

STATEMENT OF COUNCIL AND LIBRARIAN'S RESPONSIBILITIES

Under Section 9(4) of the Museums and Galleries Act 1992, the Council of the National Library of Wales is required to prepare a statement of accounts for each financial year in the form and on the basis determined by the National Assembly for Wales with the consent of the Treasury. The accounts are prepared to give a true and fair view of the Library's financial activities during the year and of its financial position at the end of the year.

In preparing the Library's accounts the Council is required to:

- observe the accounts direction issued by the National Assembly for Wales including the relevant accounting and disclosure requirements, and apply
- them on a consistent basis.
- make judgements and estimates that are reasonable and prudent.
- state whether applicable accounting standards and statements of
- recommended practice have been followed, and disclose and explain any
- material departures in the financial statements.
- prepare the financial statements on a going concern basis, unless
- it is inappropriate to assume that the Library will continue in operation.

The Principal Accounting Officer for the National Assembly for Wales has designated the Librarian as the Accounting Officer for the Library. His relevant responsibilities as Accounting Officer, including his responsibility for the propriety and regularity of the public finances for which he is answerable and for the keeping of proper records, are set out in the National Assembly for Wales' Accounting Officer Memorandum issued by the Treasury.

STATEMENT ON THE SYSTEM OF INTERNAL FINANCIAL CONTROL

As Accounting Officer, I acknowledge my responsibility for ensuring that an effective system of internal financial control is maintained and operated by the National Library of Wales.

The system can provide only reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded and that material errors or irregularities are either prevented or would be detected within a timely period.

The system of internal financial control is based on a framework of regular management information, appropriate administrative procedures and a system of delegation and accountability. In particular it includes :

- Comprehensive budgeting systems with an annual budget which is agreed by the Planning and Resources Committee and the Senior Management Group
- Regular reviews by the Planning and Resources Committee and the Senior Management Group of periodic and annual financial reports which indicate financial performance against the forecasts;
- Setting targets to measure financial and other performance;
- Clearly defined capital investment control guidelines as appropriate, formal project management disciplines;

The National Library of Wales internal audit service is provided by Bentley Jennison who operate to standards defined in the Government Internal Audit Manual. The work of the internal auditors is informed by an analysis of the risk to which the body is exposed, and annual internal audit plans are based on this analysis. The analysis of risk and the internal audit plans are endorsed by the National Library of Wales' Audit Committee and approved by me. At least annually I am provided with a report on internal audit activity. The report includes an independent opinion on the adequacy and effectiveness of the Library's system of internal financial control.

My review of the effectiveness of the system of internal financial control is informed by the work of the internal auditors, the Audit Committee which oversees the work of the internal auditor, the executive managers who have responsibility for the development and maintenance of the financial control framework, and comments made by the external auditors in their management letter and other reports.

In their 1999/2000 Annual Report the internal auditors concluded that there were some significant deficiencies in the Library's system of internal financial control, but that they were satisfied that these had been, or were in the process of being, resolved in an appropriate manner.

In the light of the findings of the internal auditors, a plan of action for implementation during 2000/2001 was

formulated which addressed the key areas where the need for improvement had been identified. The internal auditors' work during 2000/01 has reviewed the progress made against the original findings and they have confirmed to me that all significant recommendations have been addressed.

Implementation of the Turnbull Report

As Accounting Officer, I am aware of the recommendations of the Turnbull Committee and I am taking reasonable steps to comply with the Treasury's requirements for a Statement of Internal Control to be prepared for the year ending 31st March 2002, in accordance with guidance issued by them.

Andrew M W Green

Librarian and Accounting Officer

24 August 2001

THE CERTIFICATE AND REPORT OF THE AUDITOR GENERAL FOR WALES TO THE MEMBERS OF THE NATIONAL ASSEMBLY FOR WALES

I certify that I have audited the financial statements on pages 15 to 29 under the Museums and Galleries Act 1992. These financial statements have been prepared under the historical cost convention as modified by the revaluation of certain fixed assets and the accounting policies set out on pages 18 to 20.

Respective responsibilities of the Council, Librarian and Auditor

As described on page 10 the Council and Librarian of the National Library of Wales are responsible for the preparation of the financial statements in accordance with the Museums and Galleries Act 1992 and the National Assembly for Wales directions made thereunder, and for ensuring the regularity of financial transactions. The Council and Librarian are also responsible for the preparation of the other contents of the Annual Report. My responsibilities, as independent auditor, are established by statute and guided by the Auditing Practices Board and the auditing profession's ethical guidance.

I report my opinion as to whether the financial statements give a true and fair view are properly prepared in accordance with the Museums and Galleries Act 1992 and with the directions made thereunder by the National Assembly for Wales, and whether in all material respects the resources expended and incoming resources been applied to the purposes intended by the National Assembly for Wales and the financial

transactions confirm to the authorities which govern them. I also report if, in my opinion, the Foreword is not consistent with the records, or if I have not received all the information and explanations I require for my audit.

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 certificate if I become aware of any apparent mis-statements or material inconsistencies with the financial statements.

I review whether the statement on pages 11 and 12 reflects the Library's compliance with Treasury's guidance 'Corporate governance: statement on the system of internal financial control'. I report if it does not meet the requirements specified by Treasury, or if the statement is misleading or inconsistent with other information I am aware of from my audit of the financial statements.

Basis of opinion

I conducted my audit in accordance with United Kingdom Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts, disclosures and regularity of financial transactions included in the financial statements. It also includes an assessment of the significant estimates and judgements made by the Council and Librarian in the preparation of the financial statements, and of whether the accounting policies are appropriate to the 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 are free from material misstatement, whether caused by error, or by fraud or other irregularity and that, in all material respects, the expenditure and income have been applied to the purposes intended by the National Assembly for Wales and the financial transactions conform to the authorities which govern them, in forming my opinion I have also evaluated the overall adequacy of the presentation of information in the financial statements.

Opinion

In my opinion:

- the financial statements give a true and fair view of the state of affairs of the National Library of Wales at 31 March 2001 and of its incoming resources and application of resources, and cash flows, for the year then ended and have been properly prepared in accordance with the Museums and Galleries Act 1992 and directions made thereunder by the National Assembly for Wales; and
- in all material respects the expenditure and income have been applied to the purposes intended by the National Assembly for Wales and the financial transactions conform to the authorities which govern them.

I have no observations to make on these financial statements.

John Bourn

Auditor General for Wales

3 September 2001

National Assembly for Wales

Cardiff Bay

Cardiff

CF99 1NA

STATEMENT OF FINANCIAL ACTIVITIES FOR THE YEAR ENDED

31 MARCH 2001

		PUBLIC	FUNDS	PRIVATE	FUNDS	2000/01	1999/00
		Unrestricted	Restricted	Unrestricted	Restricted	Total	Total
Notes		£000	£000	£000	£000	£000	£000
INCOMING RESOURCES							
Grants Receivable	2	5,361	2,160	-	-	7,521	6,394
Other Grants	3	61	298	-	-	359	205
Other Trading Income	4	403	-	-	-	403	297

Investment Income	8	-	-	265	29	294	275
Donations & Bequests	8	-	-	59	5	64	49
TOTAL INCOMING RESOURCES		5,825	2,458	324	34	8,641	7,220
RESOURCES EXPENDED	5						
Direct Charitable Expenditure:							
Collection & Preservation		3,730	1,704	356	-	5,790	4,906
Marketing, Exhibition & Education		273	44	26	3	346	299
Conservation		471	87	13	-	571	433
		4,474	1,835	395	3	6,707	5,638
Support		672	129	-	-	801	681
Total Direct Expenditure		5,146	1,964	395	3	7,508	6,319
Other Expenditure:							
Fundraising & Publicity		104	11	1	-	116	111
Management & Administration		703	117	8	-	828	762
Total Other Expenditure		807	128	9	-	944	873

Total Resources Expended		5,953	2,092	404	3	8,452	7,192
Before Notional Costs							
Notional Cost of Capital		2,477	-	-	-	2,477	2,308
TOTAL RESOURCES EXPENDED INCLUDING NOTIONAL COSTS		8,430	2,092	404	3	10,929	9,500
NET INCOMING/ (OUTGOING) RESOURCES BEFORE TRANSFERS		(2,605)	366	(80)	31	(2,288)	(2,280)
Reversal of the notional cost of capital		2,477	-	-	-	2,477	2,308
Gross transfers between funds	8	-	279	(279)	-	-	-
NET INCOMING/ (OUTGOING) RESOURCES FOR THE FINANCIAL YEAR		(128)	645	(359)	31	189	28
Loss on disposal of tangible fixed assets		-	(9)	-	-	(9)	-
Gains/(losses) on disposal of assets intended for investments	8	-	-	(24)	(3)	(27)	436
Unrealised Gains/(losses) on: Investments	8	-	-	(134)	(25)	(159)	(645)
Tangible Fixed Assets		-	-	-	-	-	4,752
NET MOVEMENT IN FUNDS FOR THE FINANCIAL YEAR		(128)	636	(517)	3	(6)	4,571
FUND BALANCES BROUGHT FORWARD AT 1 APRIL	13	5	40,943	5,392	581	46,921	42,350

FUND BALANCES CARRIED FORWARD AT 31 MARCH	13	(123)	41,579	4,875	584	46,915	46,921
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All activities are continuing. The notes on pages 18 to 29 form part of these accounts.

BALANCE SHEET AS AT 31 MARCH 2001

				31st March 2001				31st March 2000
		Notes	£000	£000			£000	
FIXED ASSETS								
Tangible Assets	7		41,509				40,950	
Investments	9		5,407				5,937	
								46,916
CURRENT ASSETS								
Debtors	11		290				210	
Short-term Investments	10		51				37	
Cash at Bank			12				103	
								353
								350

CREDITORS						
Amounts falling due within one year	12		(189)			(316)
NET CURRENT ASSETS					164	34
Provisions for Liabilities & Charges	19				(165)	-
NET ASSETS					46,915	46,921
FUNDS	13					
Public Unrestricted					(123)	5
Public Restricted					41,579	40,943
Private Unrestricted					4,875	5,392
Private Restricted					584	581
					46,915	46,921

The notes on pages 18 to 29 form part of these accounts

Andrew MW Green

Librarian and
Accounting Officer

Conrad L Bryant

Treasurer of the
Council

Date

Date

18.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31 MARCH 2001

		2000/01		1999/2000
	Notes			
		£000		£000
Net cash inflow from operating activities	15	1,259		984
Capital Expenditure and Financial Investment	16	(1,336)		(909)
Management of liquid resources	17	(14)		(29)
Increase / (Decrease) in Cash		(91)		46

The notes on pages 18 to 29 form part of these accounts.

NOTES TO THE ACCOUNTS AT 31 MARCH 2001

1. ACCOUNTING POLICIES

(a) Accounting Conventions

The accounts are prepared under the historical cost convention, modified to include the revaluation of fixed assets, and comply with the Statement of Recommended Practice "Accounting by Charities" issued by the Charity Commissioners for England & Wales and the Accounts Direction issued to the Library by the National Assembly for Wales.

Without limiting the information given, the accounts meet the requirements of Accounting Standards issued or adopted by the Accounting Standards Board in so far as those requirements are appropriate. The Accounts Direction does not require the Library to produce a summary income and expenditure account or note of historical cost on surpluses or deficits.

(b) Incoming Resources

All income is accounted for when earned. Grant in Aid from the National Assembly for Wales allocated to general purposes is taken to the Statement of Financial Activities in the year to which it relates. Donations, legacies and voluntary income are accounted for when received. Transfers from private funds are accounted for after consideration of movements in working capital.

(c) Expenditure

Expenditure is classified under the principal categories of charitable and other expenditure rather than the type of expense, in order to provide more useful information to users of the financial statements.

Charitable expenditure and administration costs comprise direct expenditure including direct staff costs attributable to the activity. Where costs cannot be directly attributed, they have been allocated to activities on a basis consistent with use of the resources.

Fund-raising and publicity costs are those incurred in seeking voluntary contributions for the Library and in publicising the Library.

Management and administration costs are those incurred in connection with the management of the Library's assets, organisational administration and compliance with constitutional and statutory requirements.

(d) Collection Purchases

The Library's collection has not been capitalised in the balance sheet as it is considered to be inalienable. Purchases for the collection are charged to Restricted Public Funds in the Statement of Financial Activities in the year of acquisition.

(e) Stocks

The cost of stocks of resaleable items is not material and has been charged to the Statement of Financial Activities in the year of purchase or production.

(f) Foreign Currency Transactions

Assets and Liabilities denominated in foreign currencies have been converted at the rate of exchange ruling at the balance sheet date. Transactions in foreign currencies are recorded at the rate ruling at the time of transaction.

(g) Notional Cost of Capital

As directed by the National Assembly for Wales, a notional capital charge reflecting the cost of capital employed, is included in operating costs and calculated at 6% of capital employed.

(h) Fund Accounting

Public and private unrestricted funds are available for use at the discretion of the Council in furtherance of the general objectives of the Library.

Public restricted funds represents Capital and Purchase Grants receivable from the National Assembly for Wales.

Private restricted funds are funds subject to specific restriction imposed by donors or by the purpose of the appeal.

(i) Investments

Investments are stated at market value. Gains and losses on disposal are credited or charged to the Statement of Financial Activities. Movements in the market value of investments held at the year end are also reflected in that statement in accordance with the Statement of Recommended Practice or Accounting for Charities.

(j) Fixed Assets

Land and Buildings are shown at open market value or depreciated replacement cost in the case of specialised buildings. An external valuation is obtained every five years and appropriate indices are used to uprate that valuation in the intervening years.

Plant, machinery and equipment are shown at current replacement cost less an allowance for depreciation. The valuations are uprated annually using appropriate indices. Gains and losses arising from revaluations are taken to the Statement of Financial Activities in the year in which they arise.

Depreciation is provided at rates calculated to reduce each asset to its estimated residual value evenly over its expected useful economic life, as advised by the valuers. Average lives are as follows:

Freehold buildings - up to 80 years

Plant, machinery and equipment - up to 18 years

Computer equipment - up to 4 years

Freehold land is not depreciated.

The threshold for capitalisation is £1,000, but Information Technology equipment below this threshold is also capitalised where it forms part of a network.

(k) Pension Costs

The Library operates its own superannuation scheme which provides benefits based on final pensionable pay. Contributions to the scheme required by the actuary are charged to the Statement of Financial Activities spread over the working lives of the employees. Appropriate provision is made in these accounts for the costs of pensions accrued, but not yet due, to be paid into the Library's pension fund.

(l) Taxation

The Library has been granted charitable status by the Inland Revenue. Non-recoverable Value Added Tax arising from expenditure on non-trading activities is charged to the Statement of Financial Activities or capitalised if related to a fixed asset.

2. GOVERNMENT GRANTS

	2000/01		1999/2000
	£000		£000
Unrestricted			
Grant in Aid	5,361		5,095
Restricted			
Purchase Grant	565		531
Capital	1,595		768
Total grant received from National Assembly for Wales	7,521		6,394

3. OTHER GRANTS

		2000/01		1999/2000

		£000		£000
Restricted				
Purchases (i)		278		-
Capital		20		96
		298		96
Unrestricted				
Others		61		109
		359		205

(i) Grants received to assist with the acquisition of the Wynnstay collection.

1. OTHER INCOME

	2000/01		1999/2000
	£000		£000
Unrestricted			
Sales	185		166
Bank Interest	13		8
Canteen	100		91
Miscellaneous	105		32
	403		297

1. TOTAL RESOURCES EXPENDED BEFORE NOTIONAL COSTS

				2000/01	1999/2000
	Staff	Other			
	Costs	Direct Costs	Depreciation	Total	Total
	£000	£000	£000	£000	£000
Charitable Expenditure					
Collection & Preservation	3,018	2,050	722	5,790	4,906
Marketing, Exhibitions & Education	182	120	44	346	299
Conservation	363	121	87	571	433
	3,563	2,291	853	6,707	5,638
Support	537	135	129	801	681
Total Direct Expenditure	4,100	2,426	982	7,508	6,319
Other Expenditure					
Fund Raising & Publicity	47	58	11	116	111
Management & Administration	490	221	117	828	762
Total Other Expenditure	537	279	128	944	873

Total Resources Expended Before Notional Costs	4,637	2,705	1,110	8,452	7,192

A sum of £18,400 (1999-00 £18,000) is included in management and administration for external audit work and £3,100 plus VAT (1999-00 £4,100 plus VAT) for other audit work.

6. STAFF COSTS

(a) Total Staff Costs

	2000/01	1999/2000
	£000	£000
Salaries and Wages (i)	4,061	3,908
Social Security Costs	305	293
Other Pension Costs (ii)	271	110
	4,637	4,311

- i. Salaries and wages includes £65,942 (£55,905 in 1999/00) for redundancy costs following the closure of the in house printing unit. This was not regarded as a core function of the Library.
- i. Other pension costs include pensions of £69,450 (£76,945 in 1999/00) paid under an older pension scheme and the cost of the creation of a provision of £155,413. See note 1(k).

(b) In accordance with the Greenbury Code and Dear Accounting Officer (GEN) 3/00 and 12/00 letters issued by the Treasury, the Library is required to disclose the following details concerning remuneration of senior staff with responsibility for running policy-making departments :-

Remuneration of Senior Management

Post	Name	Age	Gross Salary for year	Real Increase in Pension Rights during the year	Total Accrued Pension at 31/3/2000
			£	£	£
Librarian	Mr AMW Green	48	56,605	644	1,620
Keeper of Maps and Prints	Mr DH Owen (retired 28 th February 2001)	60	45,121	499	9,296
Keeper of Manuscripts and Records	Mr G Jenkins	51	48,987	1,833	16,660
Director of Administration and Technical Services	Mr MW Mainwaring	45	47,992	998	5,545
Keeper of Printed Books	Mr Rh Griffiths	46	41,159	1,326	11,059
Director of Finance	Mr DH Michael	36	37,638	537	985

Acting Keeper of Maps & Prints (internal promotion from 1 st March 2001)	Mr D M Francis	53	40,633	1,572	13,846

There were no benefits in kind.

(c) The salary of the Librarian comprised a consolidated salary of £54,036 (1999/2000: £52,643) and an unconsolidated award of £2,569 (1999/2000: £3,136). Other senior staff receive a gross salary only. The Librarian is employed on a five year fixed term contract for the period from 1 October 1998 to 30 September 2003. He is an ordinary member of the Library's pension scheme.

The average monthly number of staff employed by the Library during the year was:

	2000/01	1999/2000
Office and Management	25	25
Curatorial and Other Staff	202	201
	227	226

Court and Council members do not receive any emoluments. The total amount of travel, subsistence, and hospitality expended by the Library for its committee members was £27,296, (1999-00 £21,976) and this was claimed by 22 members.

(d) Pension Scheme

The Library operates a funded pension scheme which is a defined benefit pension scheme providing benefits based on final pensionable pay at a normal retirement age of 60. Members pay contributions at a rate of 6% of pensionable pay. Those members leaving the scheme who have contributed for a period of less than 2 years will receive a refund of contributions. Benefits accrue at the rate of 1/80th of pensionable salary for each year of service. In addition, a lump sum equivalent to 3 years' pension is payable on retirement. On death, pensions are payable to the surviving spouse at a rate of half the member's pension. On death in service the

scheme pays a lump sum benefit. Medical retirement is possible in the event of serious ill-health.

The assets of the Scheme are held separately from those of the Library and are invested with Prudential Pensions Ltd. in a Managed Fund. The most recent actuarial valuation was at 31 March 1999. Following the actuarial report, the Library's contribution was increased to 6% from 1 April 2000, with a further 6% of pensionable pay from staff. The actuarial statement is published in the National Library of Wales' Pension Fund Annual Accounts.

The pension charge for the period was £202,160 (1999-00 £32,948). The most recent actuarial valuation showed that the market value of the Scheme's assets was £25.654m and that the actuarial value of those assets did not exceed 105% of the value of the liabilities of the Scheme.

(e) Gifts Register

The Library also operates a gifts register. No item noted during the year is considered of material interest to these financial statements.

7. TANGIBLE FIXED ASSETS

	Freehold Land And Buildings	Plant, Fittings & Equipment	Total
	£000	£000	£000
Cost & Valuation			
At 1 April 2000	39,711	2,270	41,981
Additions	766	922	1,688
Disposals	-	(355)	(355)
At 31 March 2001	40,477	2,837	43,314
Depreciation			
At 1 April 2000	-	1,031	1,031
Charged for the year	579	531	1,110

Disposals	-	(336)	(336)
At 31 March 2001	579	1,226	1,805
Net Book Value			
At 31 March 2001	39,898	1,611	41,509
At 1 April 2000	39,711	1,239	40,950

The Library's buildings and freehold land were valued professionally at 31 March 2000 by the Valuation Office Agency in accordance with the Guidelines published by the Royal Institution of Chartered Surveyors. All fixed assets were used for the furtherance of the charitable activities of the Library. The Valuer has confirmed to the Library that there has been no material change in the valuation of the portfolio during 2000/01.

8. PRIVATE FUNDS

	Unrestricted	Restricted	Total	Total
			2000/01	1999/2000
	£000	£000	£000	£000
Incoming Resources				
Bequests	1	1	2	30
University of Wales Estate	56	-	56	16
Other	2	4	6	3
	59	5	64	49
Interest Receivable	265	29	294	275
Profit / (loss) from sale of Investments	(24)	(3)	(27)	436

	241	26	267	711
Total	300	31	331	760
Resources Expended				
Collection and Storage	(356)	-	(356)	(142)
Other	(48)	(3)	(51)	(48)
Total	(404)	(3)	(407)	(190)
Net Incoming/(Outgoing) Resources	(104)	28	(76)	570
Transfer to Public Funds	(279)	-	(279)	(320)
	(383)	28	(355)	250
Unrealised loss on revaluation of investments	(134)	(25)	(159)	(645)
Net Movement in Private Funds during the year	(517)	3	(514)	(395)
Brought Forward at 1 April	5,392	581	5,973	6,368
Carried Forward at 31 March	4,875	584	5,459	5,973

The breakdown of individual funds is shown on page 30

18. INVESTMENTS

	2000/01	1999/2000
	£000	£000
Market Value at 1 April	5,936	6,360
Acquisitions at Cost	1,244	3,609
Less: Disposal Proceeds	(1,587)	(3,824)
Gain / (Loss) on Disposal	(27)	436
Unrealised loss on revaluation	(159)	(645)
Market Value at 31 March	5,407	5,936

The historic cost of Investments at 31 March 2001 was £5.707m (1999-2000 £6.077m). The listed investments are dealt with on the London Stock Exchange. Treasury gilts comprise 42% of the portfolio as at 31 March 2001.

No other investment exceeds 5% of the portfolio. Of the market value of £5.407m, £2.483m was held in narrower range investments, and £2.924m was held in wider range.

10. CURRENT ASSETS - INVESTMENTS

	31st March 2001	31 st March 2000
	£000	£000
Brokers Deposit Account	51	37

	51	37

11. DEBTORS – due within one year

	31st March 2001	31 st March 2000
	£000	£000
Trade Debtors	123	49
Prepayments & Accrued Income	86	75
Pension Fund Prepayment	57	59
Private Funds	24	27
	290	210

12. CREDITORS - falling due within one year

	31st March 2001	31 st March 2000
	£000	£000
Trade Creditors	47	112
Other Creditors	2	-
Accruals	43	75
Taxation and National Insurance	97	129
	189	316

13. MOVEMENTS IN STATEMENT OF FUNDS

	At April 2000	Incoming Resources	Resources Expended	Other Movements In Year	At 31 March 2001
	£000	£000	£000	£000	£000
PUBLIC FUNDS					
Restricted - Capital	40,945	1,615	(1,110)	130	41,580
- Purchase	(2)	843	(982)	140	(1)
Total Restricted	40,943	2,458	(2,092)	270	41,579

Unrestricted	5	5,825	(8,430)	2,477	(123)
Total Public Funds	40,948	8,283	(10,522)	2,747	41,456
PRIVATE FUNDS					
Restricted	581	34	(3)	(28)	584
Unrestricted	5,392	324	(404)	(437)	4,875
Total Private Funds	5,973	358	(407)	(465)	5,459
TOTAL	46,921	8,641	(10,929)	2,282	46,915

14. CAPITAL COMMITMENTS

The Library has a four year Capital Rolling Programme. At the balance sheet date, the outstanding commitments are as follows:

	31st March 2001	31 st March 2000
	£000	£000
Contracted	559	70
Authorised but not contracted	235	241
	794	311

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It is anticipated that all commitments identified at 31st March 2001 will be met during the 2001/02 financial year.

15. RECONCILIATION OF CHANGES IN RESOURCES TO NET

FLOW FROM OPERATING ACTIVITIES

	2000/01	1999/2000
	£000	£000
Net incoming/ (outgoing) resources for the financial year	190	28
Depreciation	1,110	857
(Increase) / Decrease in debtors	(80)	27
Increase in creditors and provisions	39	72
	1,259	984

16. CAPITAL EXPENDITURE AND FINANCIAL INVESTMENT

	2000/01	1999/2000
	£000	£000

Payments to acquire tangible fixed assets	(1,689)	(1,124)
Payments to acquire investments	(1,244)	(3,609)
Proceeds from sale of tangible fixed assets	10	-
Proceeds from sale of investments	1,587	3,824
	(1,336)	(909)

17. RECONCILIATION OF NET CASH FLOW TO MOVEMENTS

IN NET FUNDS

	2000/01	1999/2000
	£000	£000
Net funds at 1 April	140	65
Net Cash Inflow/(Outflow)	(91)	46
Increase/(Decrease) in current asset investments	14	29
Net Funds at 31 March	63	140

18. RELATED PARTY TRANSACTIONS

The National Assembly for Wales is regarded as a related party. During the year the Library received funding from the Assembly, in the form of Grant in Aid, Purchase and Capital Grants.

The Library received £20,000 in 2000/01 (1999/00: £20,000) from the University of Wales to provide S4C with an input to their Compliance Unit based on a continuous monitoring exercise and independent consultancy advice. Mrs Elan Closs Stephens who sits on the Library Council and Court of Governors is a Senior Lecturer at the University.

18. PROVISIONS

	Provision for Restructuring	Provision for Pension Costs	Total
	£000	£000	£000
1 st April 2000	0	0	0
Provided in year	55	156	211
Less: utilised	(30)	(16)	(46)
31 st March 2001	25	140	165

Once the Library's restructuring exercise has been completed it is expected that costs will be contained within the Library's existing budget.