

Library Board
of Victoria
Annual Report
09-10



Accountable Officer's declaration

In accordance with the Financial Management Act 1994,
I am pleased to present the Library Board of Victoria's
Annual Report for the year ending 30 June 2010.



John Cain

President, Library Board of Victoria

Library Board of Victoria Annual Report 2009-10

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Vision and Values

Vision

Victorians will have ready access to a comprehensive collection of Victorian documentary material and to worldwide information resources to enrich their cultural, educational, social and economic lives.

Values

The Library's work in achieving this vision is informed by the following values:

Innovation

We recognise and embrace new technologies, ideas and opportunities to improve, grow and develop as individuals and as industry leaders in a challenging environment.

Collaboration

We work together and with partners, sharing knowledge and resources to advance universal access to information.

Engagement

We work to understand, connect and meet the needs and expectations of our communities in the most appropriate ways.

Excellence

We provide an outstanding service at all times in a professional and ethical manner.

Respect

We strive to create an open and caring community by valuing and supporting individuals, and acknowledging the strength of diversity.

Highlights of the Year

2009

July

The Hon. John Cain and the Library's Manager, Public Libraries, participate in the Public Libraries Summit, convened in Canberra by the Australian Library and Information Association, to begin work on a national framework for Australian public libraries.

The 2009 Redmond Barry Lecture is presented to a capacity audience by Professor Fred Mendelsohn AO, Honorary Senior Research Fellow at the Florey Neuroscience Institute, on 'Our Plastic Brains: Implications for development, adaptation and regeneration'.

The Library continues to gain national broadcast coverage of its collections and staff. A particular highlight: the Library is featured in an ABC documentary, *Ned Kelly Uncovered*, which is televised on ABC1 and attracts \$345,000 in media value.

Staff workshops are held to determine priority actions for Environmental Sustainability projects, with a very enthusiastic response.

August

Voting opens online for the Centre for Youth Literature's international awards for teenage literature, the Inky Awards, with the winners announced in November 2009.

Literary Melbourne: A Celebration of Writing and Ideas is published in association with Hardie Grant Books, with funding from Arts Victoria.

The Library Board of Victoria endorses the ICT Disaster Recovery Plan in conjunction with the State Library's Business Continuity Plan. The ICT Disaster Recovery Plan incorporates a shared services model with Museum Victoria.

September

The Library Board of Victoria's Advisory Committee on Public Libraries meets in the Latrobe Valley as a demonstration of its concern and support for library services in bushfire-affected areas.

The touring version of the State Library's exhibition *The Independent Type: Books and Writing in Victoria* is launched at Traralgon Library. Developed in partnership with Public Libraries Victoria Network, the exhibition will travel to 18 public library services around Victoria over two years, with the support of Major Touring Initiative funding from Arts Victoria.

The Library's new search engine, called Search, is released. It provides a friendly interface for user discovery, and is designed to empower users to locate what they want more easily, whether in print or online.

The 2009 Stephen Murray Smith lecture is presented by Professor the Hon. Gareth Evans AO QC, President Emeritus of the International Crisis Group, on the subject 'The Challenge of Nuclear Disarmament'.

The 2009 Keith Murdoch Oration is delivered by Hugh Evans, Director of the Global Poverty Project, and broadcast nationally on ABC2 TV and made available online through

the ABC Fora portal. This coverage reinforces the Library's role as a significant location for national debate.

The 2009 Victorian Premier's Literary Awards are presented at a gala dinner held in association with the Melbourne Writers Festival. National media coverage of the awards attracts \$977,383 in media value. This is the final year in which the awards are administered by the Library.

October

Ten archaeological objects from the Glenrowan Siege dig site, on loan from the City of Wangaratta, are installed in *The Changing Face of Victoria* exhibition.

The State Library's Shared Leadership Program is extended to Victoria's public library leaders of the future. Twenty participants attend the first ten-day program and complete learning projects designed to support the development of the public library network.

Museum Victoria becomes a shared services customer of the Library, going live with the Voyager Integrated Library System. This arrangement provides Museum Victoria's Library with access to their own Voyager bibliographic database to manage their library collection and enables them to offer web access to their catalogue, their staff and the general public. The project takes advantage of the economies of scale offered by the shared services model.

November

Wholly collection-based and written by Children's Literature Librarian Juliet O'Connor, *Bottersnikes and Other Lost Things: A Celebration of Australian Illustrated Children's Books* is published in association with The Miegunyah Press.

The Library hosts three major events for the communications, library and education sectors that explore the challenges and opportunities presented by the technological revolution. More than 500 delegates attend *The Big Issues: Public libraries, learning, technology and social inclusion; New Media in Government; and Perpetual Possibility: Challenges of learning with new media in connected communities*.

The Library presents a special forum on the subject of 'Ned Kelly Unearthed'. A large audience hears from a panel of specialists that includes historian Clare Wright, author Ian Jones, archaeologist Adam Ford, historian Alex McDermott and curator Elizabeth Marsden.

Vicnet launches the PLEASED website – a high-quality web portal for public library staff with information regarding people with disability.

SCOPE Community Partnership is awarded to Vicnet 'for ongoing commitment to increasing opportunities for people with disabilities to actively participate in community life'.

A high speed ATM network upgrade between the Library and its offsite store at Ballarat enables a more efficient service for retrieval of all material stored in the Library's offsite collection.

December

'Til you drop: shopping – a Melbourne History is officially opened by Lady Southey. This exhibition celebrates Melbourne's passion for shopping and explores the city's social history through retail and the Library's collections. The exhibition will be open until the end of October 2010.

The Camperdown Chronicle is the first regional title to be digitised under the Library's Digitising Victorian Newspapers program. Under this program, 50 Victorian regional newspapers will be digitised and made accessible on the nationwide Australian Newspapers service, hosted by the National Library of Australia.

The Library receives two Arts Portfolio Leadership Awards in the Growing Global Communities category – for the Somali Book Fair, and for Orthographic Mapping for the Harari language. An Audience Development award is granted for the Library's audience development strategy for students from disadvantaged schools.

2010

January

A new internet PC reservation system is launched to provide more equitable access to internet PCs and to reduce queuing time.

The Library's Summer Read program gains sustained media coverage throughout the summer. *The Age* publishes several extracts from Summer Read books.

The Library undertakes a major content development project for the Department of Education and Early Childhood Development's FUSE portal.

February

Research Guides are launched. These online publications are designed to support user self-sufficiency, improve access to Library collections and improve users' information literacy. They document librarians' knowledge of both resources and research strategy.

The Hon. John Brumby MP, Premier of Victoria, formally hands over the 2009 Victorian Bushfire Message Book Collection to the State Library of Victoria. Following the devastating 2009 Victorian bushfires, the people of Australia were invited to express their sympathy and support by writing messages on pages that were made available at many venues throughout the country, including the Library. Together with messages sent from around the world, these pages were assembled to form 60 bound message books.

The 2010 Rare Books Summer School is held at the Library, offering a range of intensive five-day courses for librarians, collectors, academics and researchers from Australia and New Zealand.

The Open Access Program is launched to provide access to the Library's education programs for students from disadvantaged schools.

Conservation treatment is completed on Elizabeth Batman's doll. This doll is constructed of ceramic, leather and fabric and the treatment consisted of cleaning, repair of the delicate leather arms and stabilising the doll's fragile clothing. A stand is made for its safe display in *The Changing Face of Victoria*.

March

The Age features an eight-page supplement celebrating the Library's exhibitions and collections. The feature is a result of *The Age's* sponsorship of the 'til you drop exhibition.

In partnership with Melbourne Health, the Library launches the Healthwise program to improve health literacy among Victorians and their ability to access quality medical and health information.

The Library launches an appeal to raise funds to assist in the purchase and subsequent digitisation of original negatives and transparencies taken by the late Rennie Ellis. The acquisition of the collection ensures its preservation and its availability to the public.

Launch of the Book Well Program, in partnership with VicHealth, which uses books and reading to improve well-being and sense of community.

A SafetyMAP mid-term audit is completed, with no correctable actions required by the Library. SafetyMAP is Victoria's workplace safety system, managed by WorkSafe Victoria.

The exhibition *I cover the Waterfront – Rick Amor: Paintings 1993–2007*, curated by Gerard Hayes, is displayed in the newly refurbished Blue Rotunda. The works have been donated to the Library by the artist through the Cultural Gifts Program.

Stone façade restoration works begin on the Library's Bride and Kershaw buildings, while remedial works commence on the Armstrong building façade.

April

As part of *slv21*, the Library's Digital Object Management System (DOMS) is implemented to store, protect, and provide digital access to collections. The DOMS represents the initial stage of the Library's strategy to invest in a long-term preservation solution for digital materials.

Dr Ray Holmes donates to the Library a 19th-century spirit level, which is generally accepted as being the one used and later discarded by the explorer William Wills. The discovery of the level adds to our knowledge of the Burke and Wills expedition, and tells a story of its own about the remarkable determination and scientific detective work of Dr Holmes, formerly the Surveyor-General of Victoria.

Launch of the Staff Alumni project – 98 former staff are confirmed as alumni members.

A professional development seminar is held in association with Museums Australia (Victoria) on the subject 'It's a Kids Thing: Curating, designing and programming for children'. A capacity audience hears from speakers from museums, galleries and libraries about this specialist programming area.

May

A special Indigenous issue of *The La Trobe Journal* is published by the Library and distributed to every secondary school in Victoria. Titled *Indigenous Victorians: Repressed, resourceful and respected*, it is the largest edition of the journal ever produced, and brings together for the first time many of the major contributors in the field.

Imagination, Books and Community in Medieval Europe is published: an outcome of the *Medieval Imagination* exhibition and conference.

In association with the Royal Society of Victoria, the display *Burke & Wills: Terra Incognita* is presented in the Cowen Gallery, as part of the commemorations of the 150th anniversary of the ill-fated expedition.

The Library relocates 323 linear metres of collection material from the Swanston Street building to the Library's Ballarat Offsite Store.

June

The Library launches a new website featuring rich new content and Web 2.0 tools and functions. A new high-speed internet connection is also launched, providing improved capacity, speed and Wi-Fi services, designed to help users find information faster.

Vicnet receives the inaugural Australia & New Zealand Internet Best Practice Diversity Initiative Award, in recognition of the significant and continuing online services provided by the Library for CALD communities.

The Library's Quarantine Room opens. More than 100 collections from Rare Printed, Arts, Newspapers, Manuscripts and Pictures are inspected, assessed and treated (where necessary), ensuring best practice collection care.

Funded by a grant from the RE Ross Trust, the Victorian Maps in Series Project will, over a period of three years, conserve, rehouse, catalogue and prepare for digitisation, 30,000 uncatalogued Victorian maps significant for their coverage of all aspects of documentary heritage in Victoria. The Library is now two-thirds of the way through this important project and has added 22,000 maps to the catalogue, of which 602 parish plans have been treated.

The Library Board confirms its commitment to the forthcoming exhibition, *Love and Devotion: From Persia and Beyond*, which will come to Melbourne in 2012. The exhibition will feature exquisite illustrated manuscripts and miniatures from the Persian, Ottoman and Mughal empires from the collection of Oxford's Bodleian Library.

The recipients of the 2010 Creative Fellowships program are announced. \$150,000 will be distributed between 11 fellows, who will use the Library's collections to produce creative or scholarly works in a range of mediums.

Report of Operations

The year 2009-10 marked some important milestones for the State Library of Victoria. It saw the conclusion of the 2007-10 corporate plan, which had been framed around the implementation of *slv21* – an ambitious program of reform, designed to ensure that the people of Victoria can enjoy a world-class service from their State Library that meets their needs in the 21st century.

slv21

The *slv21* program, funded in 2006 by the State Government, has been delivered in full, to time and within budget. Under the umbrella of this program, the Library has achieved the following goals since 2006:

- Nearly 350,000 collection items have been digitised and made accessible online, with support of \$1.3 million secured from philanthropic sources for this work. These include rare and unique Victorian pamphlets; the *Victoria Government Gazette* from its first issue, the Library's *La Trobe Journal*, dedicated to Victorian history, maps, manuscripts; Melbourne Metropolitan Board of Works plans and much more. Ease of access has, in keeping with international trends, driven increased use of all these collections.
- A Digital Object Management System has been implemented to store, protect and provide digital access to collections. The DOMS represents a significant initial building block in the Library's strategy to invest in a long-term preservation solution for digital materials.
- Access on demand for Victorians to the best of global knowledge, free of charge, has been increased by investment in the best digital resources. The Library has purchased or currently subscribes to about 37,000 electronic publications (including historical collections, popular and scholarly journals, newspapers and e-books). In addition, the Library has access to about 309 e-journals and over 41,000 musical disks through data streaming. Use of the Library's e-resources is increasing each year.
- The Library's website has been completely redeveloped to deliver content in the rich-media environment that today's online community expects. The website incorporates 'Search' – the new search engine that provides a friendly modern interface for users and lets them find what they want more easily. Newly developed online research guides enable users to explore topic-based information; a direct delivery system will shortly make it possible for them to order research and other materials for delivery to their own desktops. The mediated online-reference service, 'Chat with a Victorian Librarian', gives immediate access to expert research support. These are all examples of how the Library is completely re-engineering the way it engages with its users in the online world.
- The Library's onsite services have been transformed to provide a more cost-effective and responsive service to users, through revised staffing patterns and the introduction of advanced communication technologies for use by staff in the reading rooms. Users are also able to enjoy free internet and Wi-Fi services onsite, and there has been a substantial increase in the use of these since the program began in 2006.
- The Library's exhibitions program has been underpinned, with an increasing focus on exhibitions that showcase its own collections, rather than visiting exhibitions from other institutions. Its first international exhibition collaboration, *The Medieval Imagination*, was successfully staged in 2008. The exhibitions program is now supported by a broad range of public events and activities; this will continue beyond *slv21*, although at a more modest level.
- Learning programs have been significantly expanded, with the support of philanthropic and government partners. The *ergo* website, which provides access for schools and students to materials in the Library's collection, curated within the Victorian curriculum framework, was created and has subsequently been expanded to cover an increased range of subject areas.
- Vicnet, the division of the Library that specialises in ICT projects, has refocused its activities to move away from its original role in the provision of ISP services – where a healthy commercial market now exists – and concentrate its activities on the role of ICT in community strengthening, with a special emphasis on communities whose first language is not English, older Victorians, and those with a disability.

- During the life of the *slv21* program, an increased focus on marketing and market research produced good results for the Library, raising its media profile, and helping to shape services to customer expectations. This combined with the other service enhancements delivered by the *slv21* program to produce a significant rise in user satisfaction, as measured by a longitudinal study. Satisfaction rose from 91 per cent in 2006–07 to 96 per cent in 2008–09, and has since peaked at 97 per cent.
- The Library has successfully pursued new and stronger collaborations in ICT, education, social policy and philanthropy, enabling it to extend its program offerings in many areas.
- Revenue streams have been grown in many areas. Printing and copying services for the public, as well as locker hire, have been outsourced and revenue from venue hire has grown by 48 per cent. Space has been leased to Mr Tulk café and to Readings bookshop.
- Over the life of *slv21*, the Library has invested in the significant organisational change that was recognised as necessary to support the program. Staff have been skilled in Web 2.0 technologies; there has been investment in leadership capability and project management skills; management processes and governance have been strengthened and modernised; and the Library's intranet portal 'The Fridge' has been enhanced and developed as the main channel of internal communications for the Library.

Through the *slv21* program the Library has achieved a profound shift in the way it serves the people of Victoria. It remains, at heart, Victoria's memory – collecting, documenting and preserving what is published in Victoria and the documentary and pictorial heritage of the state – and Victoria's conduit to global information. But it now does this in a completely 21st-century way, and has built around the core of its collection a range of services that help to inform, enlighten and delight Victorians and build their capacity to be part of the global knowledge economy.

The vision, breadth, ambition and delivery of *slv21* has been widely hailed for its innovation – and is being used by the Australian and New Zealand School of Government as a case study of successful service transformation and major information technology change.

During 2009–10 the achievements of *slv21* have come together in ways that are reflected throughout the following report of operations for the year, providing the Library with a robust platform on which to build its responses to the developing technology challenges and opportunities that characterise this century.

Even so, as noted by the President of the Library Board of Victoria in his 2008–09 report, the Board continues to be deeply concerned about the financial pressures on the Library. The State Library received welcome assistance of \$1.2M per annum in additional State Government funding for 2010–11 and 2011–12; however, the funding gap for the Library continues to grow.

While the Board has been unfailingly conscientious in making economies and in exploring all available avenues for revenue-raising, the demand for the Library's services and the increasing costs of running its business continue to be severe constraints. This could mean that by 2011–12, the funding shortfall will have reached a critical point. Inevitably, all aspects of the Library's operations and its abilities to capitalise on the achievements of *slv21* are under severe threat as a result of this situation.

Collections, Content and Information Resources

Digitising the collection

The program of digitising the collection has continued through the year. An important contributor to the program is the RE Ross Trust, which is enabling the cataloguing and conservation of 30,000 Victorian maps, enabling them to be progressively digitised. The Library is now two-thirds of the way through this important project, adding 22,000 records to the catalogue, and digitising 6500 maps and plans.

The Camperdown Chronicle became the first regional title to be digitised under the Library's Digitising Victorian Newspapers program. Under this program, funded as a Statewide Public Library Development Project because of the value of these newspapers for research in local communities, 50 Victorian regional newspapers will be digitised and made accessible on the nationwide Australian Newspapers service, hosted by the National Library of Australia.

As part of an integrated program with the Royal Society of Victoria, supported by a grant from the Department of Premier and Cabinet, four important manuscripts from the Burke and Wills Expedition collection were digitised: the Expedition Account Book; Wills' field notes 14–20th November 1860; Wills' astronomical observations 12 February–3 April 1861; and Howitt's diary 13 August–7 September 1861.

During the year the Library participated in an Advisory Committee to the Premier to plan the commemoration

of the 175th anniversary of European settlement. To mark the anniversary, the Library is digitising the Royal Society of Victoria's proceedings, the Royal Historical Society of Victoria's journal and the *Footy Record*, all supported by a grant from the Department of Premier and Cabinet.

Special priority was also given during the year to digitising materials needed for the redevelopment of the *ergo* website and for other projects that were part of the Library's collaboration with the Department of Education and Early Childhood Development to provide content for its FUSE educational portal.

Building the physical and digital collections

Some 73,000 items were added to the collection in 2009–10.

Among the most important additions was the donation by Dr Ray Holmes of a 19th-century spirit level, generally accepted as being the one used and later discarded by the explorer William Wills, together with other items from the Plant Camp of the Burke and Wills expedition party. The discovery of the level adds to our knowledge of the Burke and Wills expedition, and tells a story of its own about the remarkable determination and scientific detective work of Dr Holmes, formerly the Surveyor-General of Victoria.

In February the Premier of Victoria formally handed over the 2009 Victorian Bushfire Message Book Collection to the State Library of Victoria. Following the devastating 2009 Victorian bushfires, the people

of Australia were invited to express their sympathy and support by writing messages on pages that were made available at many venues throughout the country, including the Library. Together with messages sent from around the world, these pages were assembled to form 60 bound message books.

As a result of a favourable currency exchange rate, there was an opportunity to make two significant outright purchases of electronic resources: the second part of the 19th Century British Library newspapers; and a second module of Adam Matthew's Victorian Popular Culture series, *Circuses, sideshows and freaks*. A strong Australian dollar also encouraged the purchase and repatriation of two daguerreotypes (an early form of photography), which may be the first made in Melbourne.

During the year the Library also purchased the Maggie Diaz photographic archive – a rare body of work by a professional woman photographer, active in Melbourne from the mid-20th century.

Towards the end of the year an appeal was launched to raise funds to assist in the purchase and subsequent digitisation of original negatives and transparencies taken by the late Rennie Ellis. The acquisition of this fascinating and important collection ensures its preservation and its availability to the public.

This year saw the inaugural meeting of the Victorian Aboriginal Advisory Group, established by the State Library of Victoria, Public Record Office Victoria and the National Archives of Australia. The group, which includes

members of the Victorian Aboriginal community, provides advice on projects incorporating records or manuscripts by or about Aboriginal people and provides advice in developing access protocols.

Storage, conservation and preservation

A major outcome of *slv21* was the implementation of the Library's Digital Object Management System to store, protect, and provide digital access to collections. The DOMS provides a platform for the long-term preservation of digital materials and is an important part of the Library's strategy of investing in its digital future.

Work continued during the year on conservation and storage of the physical collection. Highlights were:

- the rehousing of 5000 Citypower acetate negatives, which were placed in dedicated cool-storage conditions for their long-term care
- the completion of conservation treatment on Elizabeth Batman's doll
- detailed conservation work on William Strutt's iconic painting *Burial of Burke*
- the opening of the Library's quarantine room in June. Materials from the collections can now be inspected, assessed and treated under best practice conditions
- the relocation of 323 linear metres of collection material from the Swanston Street building to the Library's Ballarat Offsite Store, ensuring the most efficient collection operation.

Access and Engagement

Reconfiguring the Library's onsite and online services

After the major reconfiguration of onsite service delivery in the previous year, there were some less wide-ranging but critical improvements in service delivery in 2009–10. A new reservation system was introduced, for example, to provide more equitable access to the Library's internet computers and to reduce queuing time. This enhancement provides benefits both for users and for Library staff who manage the system.

In 2009–10 we answered over 80,000 research inquiries, and more than 300,000 inquiries in total (the latter figure includes registrations, equipment support, directions and retrieval inquiries).

The retrieval service from the offsite store at Ballarat was improved by a fast ethernet network upgrade between the Library and the store, enabling a more efficient service for retrieval of all material in the offsite collection.

In the online area, the new website, launched in June, was a major enhancement of the Library's service and provides a platform for more service improvements in the future. As well as introducing users to a wide range of rich-media content, it features Search, which provides a friendly interface for user discovery, and is designed to empower users to locate what they want more easily, whether in print or online. The new website introduces chat widgets on web pages, allowing for direct communication with librarians; the

first month's data suggest that this has doubled the traffic coming through this inquiry channel.

The website also introduces the Library's Research Guides. These online publications, which have had more than 18,000 visits since their launch in February, are designed to support user self-sufficiency, improve access to our collections and improve users' information literacy. They document librarians' knowledge of both resources and research strategy.

A new high-speed internet connection, introduced at the end of the 2009–10 year, will support the Library's online services through improved speed, connectivity and Wi-Fi services.

Communications and marketing

While economies in 2009–10 reduced the Library's spend on marketing and public affairs, the momentum built up by the *slv21* investment was maintained, with the assessed value of media coverage reaching a record \$11,731,937.90, compared with \$8M in the previous year.

Media sponsorship also remained strong: Palace Cinemas once again supported the Library's exhibition program through free screen time to promote *'til you drop: shopping – a Melbourne history*, and the Library's Centre for Youth Literature negotiated a three-year media sponsorship agreement with *The Age*.

The Age was also a sponsor of *'til you drop*, and as a result featured an eight-page supplement celebrating the Library's exhibitions and collections. The Library's Summer Read program

gained sustained media coverage throughout the summer, with *The Age* publishing several extracts from Summer Read books.

The Library continues to gain national broadcast coverage of its collections and staff. In a particular highlight, the Library was featured in an ABC documentary, *Ned Kelly Uncovered*, which was broadcast on ABC1 and attracted \$345,000 in media value.

User trends and feedback

In 2009–10, with assistance from Arts Victoria, the State Library extended the range of its market research activities. As well as the regular intercept survey of people using the Library, participation in an Omnibus phone survey of the general public, smaller targeted surveys and an online survey of website users, a larger qualitative element was introduced this year, with a number of focus groups conducted to give deeper insights into the perceptions and opinions of a wide cross-section of users and other members of the community. The results of this research will be invaluable in helping to shape many aspects of our services and programs in future.

In 2009–10, the Library was closed for 17 days (compared to two days in 2008–09) because of the need to make efficiencies. In spite of this, onsite visitors to the Library increased again to 1,541,600 – up from 1,528,533 visitors in the previous reporting period, and exceeding our annual target by more than 240,000, with visitor satisfaction rates remaining steady at 97 per cent. Attendance at regional programs was

also strong, numbering about 28,000. This strong performance owed much to the popularity of *The Independent Type* touring exhibition and its supporting public programs.

Targets for attendance at student education programs were exceeded in 2009–10, with more than 36,000 students attending programs. The Open Access Program, a philanthropically supported program aimed at schools in areas of disadvantage, proved very popular, as did Melbourne Writers Festival schools programming by the Centre for Youth Literature.

A particularly noteworthy trend was the increased use of the wide range of online databases to which the Library subscribes on behalf of our users. The range of these databases has been increased dramatically as a direct result of *slv21*, and usage for 2009–10 was 307,350 – a 115 per cent increase on the previous year. This was considerably more than the annual target for the year (120,968) and more than twice the number of user sessions in the previous year. This increased use can be attributed to the improved accessibility of the databases through the Library's new search capabilities, and it is anticipated that use will continue to grow as a result of the Library's new website, which was launched in the last few weeks of 2009–10.

Vicnet

The reshaping of Vicnet's business model continued, with the main focus in the earlier part of the year on its exit from business as an internet service provider. This exit has allowed Vicnet to focus more on its community ICT projects, with a particular emphasis on communities whose first language is not English, older Victorians and those with a disability. Some current projects in this area, funded by the Department of Planning and Community Development, include Culturally and Linguistically Diverse Senior Surfers, Internet training for People with a Disability, and the Public Internet Access Program (PIAP) – a long-running project which was extended at the end of 2009–10.

Vicnet also project-manages the development of websites, particularly for government clients, and provides a hosting service within a secure government-owned environment. As part of this service, in 2010 it is working on the website for the International Education Division of the Department of Education and Early Childhood Development, which promotes Victorian schools to international students.

MyLanguage, a portal which provides access to more than 65 community languages, coordinated by Vicnet on behalf of a consortium of State and Territory Libraries around Australia, reached the end of its first five-year business plan. A review of the project resulted in all project partners committing to growing the partnership for another five years, with a focus on creating more community content.

Other highlights of the year included:

- the awarding of the Arts Portfolio Leadership Award for 'Growing Global Communities', for supporting the Somali Book Fair held at the State Library and for Orthographic Mapping for the Harari language
- the launch of the PLEASED website – a high-quality web portal for public library staff with information regarding people with disability
- recognition for Vicnet through a SCOPE Community Partnership award 'for ongoing commitment to increasing opportunities for people with disabilities to actively participate in community life'
- Vicnet being named the winner of the Best Diversity Initiative category in the inaugural Australia and New Zealand Internet Best Practice Awards – in recognition of Vicnet's contribution to communities whose first language is not English.

Learning

The Learning Program went from strength to strength in 2009–10: onsite, online and in its regional programming. In all these its capacity was extended by the use of strategic partnerships, allowing it to provide more services for more users than could be delivered by the Library in isolation. The positive impact of this method of operating is reflected in the end-of-year results quoted elsewhere in this report.

Online, we undertook a major content development project for the Department of Education and Early Childhood Development's FUSE portal for schools and teachers, as well as coordinating content development projects with other cultural agencies. This ongoing partnership enables the Library's collection and programming materials to be presented in engaging and sometimes surprising ways as teaching and learning resources.

Other highlights for the year were:

- More than 36,000 children attended education programs, including 4715 students from schools in disadvantaged areas who participated in the Open Access Program offered free of charge, with support from the John T Reid Charitable Trusts.
- Over 7000 people engaged in adult learning programs, which encompassed general research skills, family history, newspapers, and the new Healthwise series, presented in partnership with Melbourne Health and Cochrane Consumer Network to improve Victorians' health literacy.
- Redevelopment of the *insideadog* and *ergo* websites began, and new content areas were created. Both sites consistently averaged 20,000 visitors a month.
- The Inky Awards – the Centre for Youth Literature's teenage-choice awards for writing for young people – entered their third year, with the Gold Inky going to Randa Abdel-Fattah's *Where the Streets Had a Name* and the Silver Inky to Suzanne Collins's *The Hunger Games*.
- A week-long pilot program, delivered by trainers from The Reading Agency in the UK, launched the Book Well Program, in partnership with VicHealth, which uses books and reading to improve well-being and sense of community, particularly among the elderly and the socially excluded.
- Centre for Youth Literature programs were attended by 10,259 young people and 938 adults.

- The Summer Read Program, which began in 2006 with funding from *slv21* and run in collaboration with the Victorian public libraries network, enjoyed its first year as a self-sustaining program under a new partnership funding model.
- The Young Readers Program, run by the Library for the Department of Education and early Childhood Development, presented its 100,000th book to a two-year-old. The program has now provided 247,705 picture books and DVDs to Victorian families.
- The Library ran and hosted a number of partnership programs focusing on technology and video games, including Freeplay 2009, which attracted more than 300 people to a public expo and program of events.
- The Travelling Treasures program visited eight regional and metropolitan locations, taking treasured items from the Library's collections, including pages from the Jerilderie Letter, and attracting a strong response from local media.
- The Library received an Arts Portfolio Leadership Award in the Audience Development category for its audience development strategy work with Outside-in Cinema and SuperClubsPlus.

Exhibitions

The Independent Type: Books and Writing in Victoria, the Library's exhibition to celebrate Melbourne's status as a City of Literature, closed on 26 October 2009, after a very successful run which attracted 52,866 visitors. The touring version of this exhibition was launched at Traralgon Library in September 2009. Developed in partnership with Public Libraries Victoria Network, the exhibition will travel to 18 public library services around Victoria over two years, with the support of Major Touring Initiative funding from Arts Victoria.

'Til you drop: shopping – a Melbourne History was officially opened by Lady Southey in December 2009. This exhibition celebrates Melbourne's passion for shopping and explores the city's social history through retail and the Library's collections. It will remain open until the end of October 2010.

In June 2010 both the Library Board of Victoria and the Curators of the Bodleian Library in Oxford committed to the Library's forthcoming exhibition, *Love and Devotion: From Persia and Beyond*.

In February 2010, after the Hon. John Brumby MP, Premier of Victoria, formally handed over the 2009 Victorian Bushfire Message Book Collection to the Library, a selection of the material was displayed in the Cowen Gallery until March 2010.

In May 2010 an exhibit of collection items in the Cowen Gallery – *Burke & Wills: Terra Incognita* – was opened as part of the commemoration of the 150th anniversary of the Burke and Wills expedition.

I cover the Waterfront – Rick Amor: Paintings 1993–2007 was displayed in the newly refurbished Blue Rotunda. The works were donated to the Library by the artist through the Cultural Gifts Program.

During the year, ten archaeological objects from the Glenrowan Siege dig site, on loan from the City of Wangaratta, were installed in *The Changing Face of Victoria* exhibition.

A professional development seminar was held at the Library in April 2010, in association with Museums Australia on the subject 'It's a Kids Thing: Curating designing and programming for children'. A capacity audience attended to hear from speakers from museums, galleries and libraries about this specialist programming area.

In 2009–10, 159 collection items were loaned by the State Library of Victoria to a total of 28 exhibitions held by other organisations.

Total exhibition attendance for 2009–10 was 443,921 visitors. In the Dome Galleries, *Mirror of the World: books and ideas* attracted 137,888 visitors, while *The changing face of Victoria* attracted 95,303. The Cowen Gallery saw 78,807 visitors enjoying its exhibitions.

Public programming and major events

The Library maintained a lively program of public events, many supporting its exhibition program, and others featuring various aspects of the collections or featuring prominent and popular speakers.

Highlights for 2009–10 were:

- The 2009 Redmond Barry Lecture was presented to a capacity audience by Professor Fred Mendelsohn AO, Honorary Senior Research Fellow at the Florey Neuroscience Institute, on 'Our Plastic Brains: Implications for development, adaptation and regeneration'.
- The 2009 Stephen Murray Smith lecture was presented by Professor the Hon. Gareth Evans AO QC, President Emeritus of the International Crisis Group, on the subject 'The Challenge of Nuclear Disarmament'.
- The 2009 Keith Murdoch Oration was delivered by Hugh Evans, Director of the Global Poverty Project. It was broadcast nationally on ABC2 TV and made available online through the ABC Fora portal.
- The 2009 Victorian Premier's Literary Awards were presented at a gala dinner held in association with the Melbourne Writers Festival. National media coverage of the awards attracted \$977,383 in media value; this was the final year in which the awards were administered by the Library.
- The 2009 Flashpoint theatre program presented a selection of readings from winning plays from the 2008 RE Ross Trust Playwrights' Script Development Awards in the Village Roadshow Theatre.
- The Victorian heats of the Australian Poetry Slam '09 were held in association with library services in Caulfield, Ferntree Gully, Ballarat, Frankston, Portland, Swan Hill and Melbourne. The Victorian final at the State Library in November 2009 attracted a large and diverse crowd which enjoyed the performances by 14 finalists from across the state.

- On 24 November the Library presented a special forum on the subject of 'Ned Kelly Unearthed'. A large audience heard from a panel of specialists including historian Clare Wright, author Ian Jones, archaeologist Adam Ford, historian Alex McDermott and curator Elizabeth Marsden. The event was webcast on slow TV.

Publishing

The State Library continued its program of publishing in partnership with a range of commercial publishers. Eleven works were produced this year as part of the program:

- *Cyril Hopkins' Marcus Clarke*, edited by Laurie Hergenhan, Ken Stewart and Michael Wilding, Australian Scholarly Publishing, July 2009
- *Literary Melbourne: A Celebration of Writing and Ideas*, edited by Stephen Grimwade, Hardie Grant Books, August 2009
- *Mark Strizic, Melbourne: Marvellous to Modern*, text by Emma Matthews, introduction by Barry Jones, Thames & Hudson, October 2009
- *Bottersnikes and Other Lost Things: A Celebration of Australian Illustrated Children's Books*, Juliet O'Connor, The Miegunyah Press, November 2009
- *Miss D and Miss N: An Extraordinary Partnership. The Diary of Anne Drysdale*, edited by Bev Roberts, Australian Scholarly Publishing November 2009
- *Beyond Reasonable Drought: Photographs of a Changing Land and its People, Many Australian Photographers Group*, The Five Mile Press, November 2009
- *The World of the Book* (paperback edition), Des Cowley and Clare Williamson, The Miegunyah Press, November 2009
- *Capital: Melbourne when it was the capital city of Australia, 1901–1927*, Kristin Otto, Text Publishing, November 2009
- *A Future in Flames*, Danielle Clode, Melbourne University Press, February 2010
- *Sunday's Kitchen*, Lesley Harding & Kendrah Morgan, The Miegunyah Press in association with Heide Museum of Modern Art and the State Library of Victoria, April 2010
- *Imagination, Books and Community in Medieval Europe*, edited by Greg Kratzmann, Macmillan Art Publishing in association with the State Library of Victoria and Newman College, The University of Melbourne, May 2010.

Fellowships

In June 2010 the recipients of the 2010 Creative Fellowship program and RE Ross Trust Playwrights' Script Developments Awards were announced.

The Creative Fellowship program fosters the creation of new works based on research of State Library collections. Since 2003 the Creative Fellowship program has provided \$1.39M in funding to more than 80 Australian writers, academics, artists, composers and researchers, enabling extended periods of concentrated work with Library collections. Fellows are also provided office space within the Library to work on their projects.

The State Library Creative Fellowships are funded through a grant of \$100,000 from the State Library Foundation. They are awarded by the Library Board of Victoria on the recommendation of its Creative Fellowships Committee. This year eight fellows have been funded to pursue creative activities based on the State Library's collections.

The Redmond Barry 1854 Fellowship provides a grant of \$20,000 for tenure of between three and six months and is awarded jointly with the University of Melbourne. This Fellowship commemorates Sir Redmond Barry, President of the Trustees of the Melbourne Public Library (later State Library of Victoria) and Chancellor of the University, positions he held from the inception of both institutions until his death in 1880. The Redmond Barry Fellow is selected by a joint committee of the Library and the University and makes use of the collections of both institutions.

Named for Dr Joseph Brown AO, OBE, an art dealer, art collector and artist and offered with the help of the Besen Family Foundation, the Dr Joseph Brown AO Fellowship aims to promote the State Library of Victoria as a centre of scholarly activity and research in the pursuit of the history of Australian art.

The Georges Mora Foundation Fellowship aims to provide artists with the opportunity to study and experiment in order to generate new thinking to be developed through their art. It attracts a grant of \$10,000.

Creative Fellowships: \$12,500

Mr Jim Pavlidis

Account of My Dancing Evenings, Season 1914 – words by Winifred Noble 1914, images by Jim Pavlidis 2011

A book illustrated with etchings.

Ms Monica Raszewski

Half Moon Bay

A play script.

Dr Barbara Lemon

The Word in the Stone: Memoirs of Ola Cohn, Sculptor (1892-1964)

A book manuscript.

Mr Luke Beesley

Seed

A book-length manuscript of contemporary poetry and drawings, based on research into Victorian seed.

Dr Leah Kaminsky

The Fish Council

A book manuscript.

Ms Sandra Long

The Wind in B Minor

A performance script based on the wind and its relationship to humanity.

Dr. Anne Longmire

The Catalysts: 'Changing yet unchanged' 1910–2010

A book manuscript.

Mr James Griffin

The Ghost Town Bridge Trilogy

Extended cycles of lyric ballads and prose poems to create a fictional rural Ghost Town Bridge, its inhabitants and events.

The Redmond Barry 1854

Fellowship: \$20,000

Dr Colin Holden

Rome in Melbourne: the Piranesi Collections in the Baillieu and State Libraries.

The Dr Joseph Brown AO

Fellowship: \$20,000

Dr Hugh Hudson

Eliezer Levi Montefiore: A Jewish Artist and Philanthropist in Nineteenth-Century Melbourne
A manuscript for a book.

The Georges Mora Foundation

Fellowship: \$10,000

Mr Ross Coulter

The release and videotaping of ten thousand paper planes from the balconies of the Domed Reading Room.

The RE Ross Trust Playwright's Script Development Award

The RE Ross Trust Playwrights' Script Development Awards are annual awards, administered by the State Library of Victoria, to support the development of plays as works-in-progress by Victorian based playwrights. They offer a total of \$30,000 in prize money; rehearsed readings in Flashpoint at the State Library of Victoria and an opportunity to be selected for PlayWriting Australia's National Script Workshop in 2011.

The 2010 award winners are:

- Barry Dickins for *A Kind of Fabulous Hatred*
- Xenia Hanusiak for *Ward B*
- Felix Nobis for *The Boy out of the Country*
- Glenn Shea for *3 Magpies Perched in a Tree*

3 Magpies Perched in a Tree by Glenn Shea was the play selected for PlayWriting Australia's National Script Workshop in 2011 in a partnership between The RE Ross Trust Playwrights' Script Development Awards and PlayWriting Australia.

Volunteers

Volunteer numbers have remained in the vicinity of 60 to 70 in the past year. Progress has been made in promoting volunteering at the Library, via our *Volunteer Action Plan*, which was launched in May 2009 to increase awareness of the variety of volunteering opportunities and extending the rewards and recognition available to volunteers. The *Look!* exhibition, planned for December 2010, will attract new volunteers to support associated events, and will also support the Library's ongoing family programs, such as BabyBounce.

Long-term projects such as The Argus Index Project continue, with occasional injections of new volunteers.

Infrastructure, Skills and Partnerships

Working with our partners

Working with partners continues to be an essential and much valued way for the Library to extend the range of services and programs offered to the people of Victoria. It has been estimated that in any year between 12 and 20 per cent of the Library's spend is supported through cash and in-kind contributions from partners.

Many of our philanthropic and corporate supporters are acknowledged elsewhere in this report as the activities that are underpinned by their contribution are described. Some other types of partnership support are listed below.

Commercial partnerships

Our existing commercial partnerships, including locker hire, lease of Mr Tulk café and the Readings bookshop in the Library's foyer continue to provide a welcome stream of revenue as well as enhancing visitors' experience at the Library.

In 2009–10 new contracts for print and copying services for our users were negotiated, and a new panel of catering partners was established.

The Library's venue-hire operation produced a steadily increasing stream of revenue, with results for 2009–10 exceeding targets by almost 30 per cent.

Shared services arrangements with other cultural organisations in Victoria were also expanded when Museum Victoria became a shared services customer of the Library through the Voyager Integrated Library Management Service. This arrangement enables the Museum

to manage their library collection, and to offer web access to their catalogue, their staff and the general public. The project takes advantage of the economies of scale offered by the shared services model and utilises the Victorian Cultural Network to provide fast, secure access to servers hosted at the Library.

The first phase of the Library's ICT Disaster Recovery Plan, finalised during 2009–10, also includes a shared services arrangement with Museum Victoria.

The Library entered into a shared-services arrangement for ICT and buildings and facilities management services with the Wheeler Centre.

International collaborations

The Library's Memorandum of Understanding with the National Library Board of Singapore led to a very successful visit by its Chief Executive, Dr N. Varaprasad, who took part in *The Big Issues* seminar in November 2009. Participants at the seminar were inspired by what they heard of the work being done in Singapore, and have subsequently invited two of Dr Varaprasad's colleagues to participate in a retreat for all public library managers in Victoria, to be held in July 2010.

The Library's proposed partnership with the Bodleian Library in Oxford was confirmed in June 2010 when both the Library Board of Victoria and the curators of the Bodleian committed to *Love and Devotion: From Persia and Beyond*. It was also agreed that a related book would be published by Macmillan Art Publishing in association with the Bodleian Library and the State Library of Victoria.

Research and development partnerships

Our commitment to assist nationally significant research and development projects continued to grow this year. A major area of activity for the Library has been to support collaborative projects conducted by the higher education sector under the auspices of the Australian Research Council (ARC). This year we provided support for the following ARC fellowships:

- *Cultural Collections, Creators and Copyright: Museums, Galleries, Libraries and Archives*

This project investigated current and emerging ways of using digital collections in museums, galleries, libraries and archives, in light of copyright law and the interests of creators. The project will assist Australia to better manage its digital cultural collections and balance the interests of creators, institutions and public accessibility. (Concluded in December 2009.)

- *Reconstructing pre-20th century rainfall, temperature and pressure for south-eastern Australia using paleoclimate, documentary and early weather station data.*

This project brings together a team of Australia's leading climate scientists, water managers and historians with the common goal of reconstructing south-eastern Australia's climate history.

- *Medieval and Renaissance Manuscripts in Australia: researching and relating Australia's manuscript holdings to new technologies and new readers.*

This project will research the Medieval and Renaissance manuscripts in Australia with reference to the interests of scholars and the general public.

- *Information Seekers and the Social Consequences of Information Policy (The Searchers)*

The project focused on the challenges associated with the online information environment and the use of new digital technologies and involved three areas of research: current information-seeking and the role of public libraries in online information provision, an analysis of wider developments in online environments and search models, and an evaluation of the policy and strategic implications for public libraries highlighted by the research. (Concluded in June 2010.)

- *Aboriginal Visual Histories: Photographing Indigenous Australians.*

This project will for the first time review photographs of Aboriginal people in key collections around Australia and in Europe, and will produce the first systematic history of photographing Aboriginal people from the Australian inception of the medium in 1841 to the present day.

Working with Public Libraries Victoria

In 2009–10 the Library continued to work closely with public libraries in Victoria through its Advisory Committee on Public Libraries, chaired by Library Board of Victoria President, the Hon. John Cain.

The President and the Library's Manager, Public Libraries participated in July 2009 in the Public Libraries Summit, convened in Canberra by the Australian Library and Information Association, to begin work on a national framework for Australian public libraries.

In September 2009 Advisory Committee members met in the LaTrobe Valley as a demonstration of concern and support for library services in bushfire-affected areas.

The Library and Public Libraries Victoria continued their collaboration on the Statewide Public Library Development Projects to be delivered over the 2008–11 triennium. These

projects, funded by the Library Board of Victoria, are one way in which the Board exercises its responsibility to provide leadership in the library sector in Victoria.

Project highlights for 2009–10 were:

- Seven selected libraries successfully completed the phase 2 pilot of the 'Being the Best We Can' self-evaluation and continuous improvement framework in June.
- The technical report on a major study of the economic contribution made by Victoria's public libraries was delivered by SGS Economics and Planning.
- The State Library's Shared Leadership Program was offered in a specially adapted format to Victoria's public library leaders of the future.
- The Library Board of Victoria's Pierre Gorman Award, valued at \$15,000, was presented to Geelong Regional Library Corporation to develop an innovative disability awareness and training scheme for library staff.
- The State Library supported the attendance of Jenelle Colston-Ing from Hobsons Bay Libraries and Justine Elliott from Boroondara Library Service at the prestigious Aurora Leadership Institute.
- The Library Board of Victoria's Barrett Reid Scholarship, valued at \$30,000, was presented to Jennie Bolitho from Bayside Library Service to research bibliotherapy programs in the United Kingdom and develop tools to support similar programming in Victoria.

State Library of Victoria Foundation

The State Library of Victoria Foundation assists the Library in carrying out its objectives by working to promote goodwill in the community towards the Library, introducing potential philanthropic and corporate sponsors and supporters, working to build the Library's capital fund and using the income from that fund to achieve its objectives and assist the Library with specific projects that enhance its core functions.

At the end of June 2010 the Foundation had 864 members. An executive committee meets monthly; for membership of the committee, see page 35.

Foundation members have access to a lounge, exclusively for their use, adjacent to the La Trobe Reading Room, and receive a range of other benefits, including discounted entry to paid Library events. There is also a program of exclusive events for members, including special tours, exhibition-related events, informal talks in the Members' Lounge and the Members Annual Dinner. Members receive two copies each year of *The La Trobe Journal*, which contains articles dealing with the history of Victoria and many aspects of the Library's collections.

In May 2010 a special Indigenous issue of *The La Trobe Journal* was published by the Library and distributed to every secondary school in Victoria. Titled 'Indigenous Victorians: Repressed, resourceful and respected', it is the largest edition of the journal ever produced, and brings together for the first time many of the major contributors in the field.

The Redmond Barry Society is the Foundation's Bequest Society. Bequests may be of a monetary amount or in kind, helping to build a legacy of support for the Library. In October, Redmond Barry Society members were invited to an evening viewing of collection items recently acquired by the Library with assistance from the Foundation. Shane Carmody, the Library's Director of Collections and Access, spoke about the items' significance to the Library; collection staff were on hand to answer questions.

Among the many activities of the Foundation during 2009–10, it hosted a reception in March 2010 for Rhodes Scholars and other potential supporters of the forthcoming exhibition *Love and Devotion: From Persia and Beyond*. An enthusiastic group heard from exhibition curators Clare Williamson, from the Library's exhibition team, and Susan Scollay, an independent scholar, and had a preview of some of the images that will feature in the exhibition, as well as viewing related original materials from the Library's own collections.

The Foundation gratefully acknowledges the contribution of volunteers who serve on the Executive Committee and *The La Trobe Journal* Committee, in particular the Chairman of the Foundation, Mr Peter Lothian and its pro bono legal advisers Freehills.

Centre for Books Writing and Ideas

In the course of the year the Library brought to a successful conclusion the redevelopment of a previously un-renovated part of the southern wing of the Library, facing onto Little Lonsdale Street to house Australia's first Centre for Books, Writing and Ideas, the Wheeler Centre, which moved into the premises at the end of 2009 and officially opened in February 2010. The Library continues to support the centre, and the group of literary organisations that are its sub-tenants, through a shared service provision for ICT and building and facilities management services, provided by the Technology Services and People and Property divisions of the Library. The centre and its sub-tenants enjoy the financial support of the Library, paying only a peppercorn rent for the lease.

Strengthening corporate capability

The Library continued to build on the achievements in corporate capability supported through the *slv21* program. A varied program of staff development was conducted, including the popular learning forums for senior staff and alumni of the Library's Shared Leadership Program.

The Library's renegotiated Enterprise Partnership Agreement with the Community and Public Sector Union came into effect on 1 July 2009, with a nominal expiry date of 30 June 2011. The Agreement maintains alignment in pay and conditions with the Victorian Public Service Agreement, while varying from those conditions for Library-specific matters.

In May 2010, a record 76 per cent of staff participated in the State Services Authority's People Matter survey, which will give the Library a useful diagnosis of its own corporate health

and its comparative position with other public sector bodies in Victoria.

The Library's Staff Fellowships program continued, giving staff members the opportunity to step aside from their regular roles to carry out research in the collections. Staff fellows for 2009–10 were:

Greg Gerrard, Access and Information Division, was awarded the inaugural Jane Nicholas Fellowship – a memorial to a former long-serving staff member – to undertake a three-month project titled 'An Australian Manuscripts Collection cookbook', which will involve a survey of all recipe-related material in the Australian Manuscripts collection, followed by the preparation of a cookbook manuscript.

Robyn Kinsey, Technology Services Division, to undertake a three-month project, titled 'To the Library with love: Valentines and brickbats from a passionate public', which will 'catalogue and make available comments of interest from people of interest (from Redmond Barry to anonymous everyman) so that the material can be used to reignite the spark of passionate devotion to this great institution among our contemporary community'.

Jane Miller, Access and Information Division, to undertake a three-month project, titled 'Pathways to collections – identification and description of primary source material unique to the Library's collections to encourage use by Aboriginal people', which 'aims to develop a section of the Library's website to include pathways encouraging use of State Library Victoria's collections by Aboriginal people'.

In April 2010 a new Staff Alumni Scheme was launched, giving former staff members an opportunity to retain their connection with the Library. By June 2010, 98 former staff were confirmed as members of the scheme.

During 2009–10, using \$1M allocated in the 2009 budget, the Library was able to complete a detailed master plan for the restoration and future use of Queen's Hall, which addressed specialist heritage, architectural and engineering requirements.

A SafetyMAP mid-term audit was completed in March with no correctable actions required by the Library. SafetyMAP is Victoria's workplace safety system, managed by WorkSafe Victoria.

In March 2010 a full public evacuation drill was completed at the Library, with the building cleared of users and staff in six minutes and 28 seconds. Valuable lessons were learned that will contribute to the future safety of all those who frequent the Library.

Important developments as part of the Library's facilities management program were:

- installation of Building Automated System energy monitoring, as a major enhancement to the energy initiatives program;
- completion of initial stage of installation of motion sensors to various lighting circuits within the Library as part of the energy-savings program;
- commencement of stone façade restoration works on Bride and Kershaw buildings;
- commencement of façade- remedial works to Armstrong building;
- commence replacement of Armstrong level 4 sprinkler pipework;
- continuation of access walkways as part of roof-access safety project;
- installation of voice announcements to public lifts as part of continuing *Disability Discrimination Act* upgrade program.

In the technology area, corporate capability was enhanced by a new high speed internet connection, introduced in June, that provides improved capacity, speed and Wi-Fi services.

The Library's Senior Data Analyst, Anne Beaumont, was awarded the Robert D. Williamson Award for outstanding contribution to the development of information technology usage in Australian libraries and information services.

The Library Board of Victoria endorsed the first phase of the Library's ICT Disaster Recovery Plan in conjunction with the State Library's Business Continuity Plan.

Financial Summary

Summary of financial results with five-year comparatives

	2010	2009	2008	2007	2006	2005
	\$000	\$000	\$000	\$000	\$000	\$000
Revenue from government	79,139	88,219	77,579	82,106	78,449	72,957
Other revenue	13,294	14,692	14,330	11,789	13,118	12,127
Total revenue	92,433	102,911	91,909	93,895	91,567	85,084
Result from ordinary activities	(6,501)	1,093	(2,309)	5,654	5,948	6,451
Cash flow from operating activities	(1,584)	11,663	745	(31)	4,047	(1,528)
Total assets	807,315	815,039	800,629	805,813	750,392	728,908
Total liabilities	9,588	11,444	7,880	8,776	8,767	7,391

2009-10 Key Performance Indicators

Description	Actual 2008-09	Target 2009-10	Actual 2009-10
Collections, Content and Information Resources			
Unique Victorian material digitised and available for online access ¹	316,190	421,928	349,883
Percentage of unique Victorian material digitised ²	43%	58%	48%
Total digital titles/databases accessible ³	113,943	100,000	120,823
Items added to the collection ⁴	61,331	42,450	73,163
Items added to the catalogue	54,823	59,200	59,770
Access and Engagement			
Programs delivered in regional Victoria – number ⁵	272	113	190
Programs delivered in regional Victoria – attendance	13,721	11,345	28,103
Programs delivered in regional Victoria – satisfaction	97%	95%	95%
Students attending education program sessions – number ⁶	704	700	933
Students attending education program sessions – attendance	22,743	25,700	36,929
Students attending education program sessions – reach ⁷	3%	3%	4%
Students attending education program sessions – satisfaction	97%	95%	95%
Online visitors to State Library websites ⁸	5,790,807	9,011,767	6,154,584
Customer satisfaction with overall online experience	74%	75%	72%
Visitors to State Library ⁹	1,528,533	1,300,000	1,541,600
Satisfaction with overall Library experience	92%	90%	97%
Infrastructure Skills and Partnerships			
Increase the Foundation's capital funds base ¹⁰	\$12.6M	\$18M	\$15.4M
Develop philanthropic support for digitising unique Victorian material	\$378,364	\$500,000	\$478,727
Deliver the Library's services to budgeted surplus/deficit ¹¹	(16%)	(-/+)10%	10%
Value of training per FTE staff member ¹²	\$816	\$775	\$458

Notes

1. The total number of items originating in Victoria where the Library holds the only known copy that have been digitised for online access. A large portion of the Library's digitising program is dependent on philanthropic funds. A significant tightening in the philanthropic market due to global financial conditions has made it difficult to secure the required support.

2. The total number of items that have been digitised as a percentage of all identified unique Victorian material.

3. Includes electronic journals and electronic books in databases, independent electronic journals and books, websites and online publications in PANDORA, CD-ROMs and DVD-ROMs. It also includes the provision of links through the catalogue to external electronic resources not owned or administered by the State Library of Victoria. The total number of titles can vary throughout the year and from one year to the next as titles are regularly assessed on their benefit to the community.

4. Figures reflect acquisition of books, journals, newspapers, pictures, CD-ROMs, sound and video recordings and maps by purchase, donation exchange and through legal deposit that are accessioned during the year. There is a variation

between items added to the collection and volumes added to stock (page 28); this is caused by an estimate of non-accessioned pictures being included in the Volumes Added to Stock table. Only accessioned pictures are included in the Items Added to the Collection KPI.

5. Applies to all activities conducted in Regional Victoria as defined in the *Regional Development Victoria Act 2002* and the *Alpine Resorts Act 1983*.

6. This includes K-12 students. Adult learning is included in the Output Framework as OG2a: Community Engagement Activities.

7. The number of student participants as a percentage of the total Victorian K-12 enrolment.

8. Online visitors are measured as user sessions and measure all Library websites, including the Vicnet portal. Visitation to the Vicnet portal has decreased as an outcome of changes to the Vicnet business model. Measurement of online visitation has been compromised due to outdated reporting methodologies being applied to new technologies; these issues have been addressed and solutions will be implemented for the 2010-11 reporting year. *Ergo* and *The La Trobe Journal* websites have exceeded their targets by 68 and 127 per cent respectively.

9. The Library had over 1.5M visitors, despite closure for 17 days (compared to two days in 2008-09) because of the need to make efficiencies. 2009-10 was the third year in a row that the Library attracted in excess of 1.5M visitors per annum.

10. This is measured at 30 June and shows aggregated performance over the 2007-10 corporate planning period. Global financial conditions have resulted in a slower than expected increase in the earnings on the Foundation Trust fund's capital base.

11. This is measured against the budgeted surplus/deficit for appropriated government funding (fund source 01) at 30 June and is prior to audit clearance. Despite considerable pressures on expenditure, significant progress was made towards managing the deficit within ten per cent of the appropriated budget.

12. The value of training per FTE staff member was reduced to offset financial pressures on the Library's operations.

Additional Key Performance Indicators used by the State Library of Victoria under the Output Framework can be viewed on page 26.

Service Agreement with the Minister for the Arts

The Service Agreement with the Minister for the Arts outlines the Library's contribution to the State Government's arts policy, *Creative Capacity+: Arts for all Victorians*, nominates Government Priority Areas that the Library is required to address in the delivery of its services, and establishes a range of performance indicators under the Government's output framework.

Creative Capacity+ *Arts for all Victorians*

Creative Capacity+ has three goals:

Goal 1: Arts for All Victorians: a culture of participation

The Library's events, exhibitions and learning programs stimulate participation online, onsite and in regional Victoria. Community participation in the arts is promoted by the Library's volunteer program and the Library's Vicnet division hosts the popular *MyLanguage* portal, which provides an online library resource in more than 60 languages.

Goal 2: On the threshold: an economy based on innovation

The Library's learning program provides services to Victorians of all ages and runs graduate placement and work experience programs to provide experience to potential employees in the arts and cultural sector. The Library's creative fellowship program supports and promotes creative activity.

Goal 3: Creative place: a dynamic arts sector

Access to the Library's collection material is available online from the office and home or by visiting the Library where users can gain physical and virtual access via wireless connection to the Library's website. The Library provides free access to a range of programs that encourage participation.

Government Priority Areas 2009–10

The Library has had a successful year delivering outcomes against Government Priority Areas that are relevant to the Library's operation.

Whole-of-Government initiatives

International strategies

The Library has continued its relationship with the National Library of Singapore, building on the Memorandum of Understanding (MOU) signed in March 2007. The MOU provides information-sharing and staff exchange opportunities that enhance program development and services.

Culturally sensitive service delivery

The Library has established the Cultural Diversity Planning working group. The Cultural Diversity Plan will reinforce our commitment to servicing Culturally and Linguistically Diverse (CALD) communities and build on initiatives such as the Open Road project, which offers libraries and their communities internet access to information in community languages.

The Library also continued to host the *MyLanguage* portal, which delivers over six-million links in more than 60 languages.

Disability Action Plan

The Library conducted an accessibility audit of its public spaces and established a priority listing of Disability Action Plan recommendations which were progressively implemented. The Library has installed voice announcements in lifts and braille

signage in public spaces, purchased portable hearing-supplementation equipment for use by visitors and participants in public programs and conducted disability-awareness sessions for staff and senior management. The Library has utilised specialist consultancy services and reviewed its policies to ensure their relevance to people with disabilities.

Collaborative initiatives

Agency Leadership (formerly Shared Services, Agency and NGO programming)

The Library Board of Victoria endorsed the ICT Disaster Recovery Plan in conjunction with the Library's Business Continuity Plan. The ICT Disaster Recovery Plan incorporates a shared services model with Museum Victoria.

The Library is one of ten cultural agencies covered by the Victorian State Collections Emergency Response MOU.

The Library continued to support the Arts Agency Collections Working Group on issues of collection care relating to the management, conservation and preservation of Victoria's State Collection.

Museum Victoria became a shared services customer of the Library, going live with the Voyager Integrated Library Management System in October 2009. The project took advantage of the economies of scale offered by the shared services model and utilises the Victorian Cultural Network to provide fast, secure access to servers.

The Library began providing information technology services to the Wheeler Centre in February 2010.

The Library was a partner in Australian Research Council (ARC) projects researching the history of climate change in south-eastern Australia, Aboriginal Visual Histories, and Medieval and Renaissance manuscripts in Australia. It also concluded its involvement in the three-year research project *Information Seekers and the Social Consequences of Information Policy* with Swinburne University.

The Library continued to work with the Georges Mora Foundation, the La Trobe Society and University of Melbourne to provide fellowships and administered the RE Ross Trust Playwrights' Script Development Awards.

The Independent Type: Books and writing in Victoria toured Traralgon, Lakes Entrance, Frankston, Horsham, Moonee Ponds, Wangaratta, Altona Meadows and Bendigo in 2009–10 and was seen by 34,200 people. Associated workshops and events were attended by 970 people.

The Library began a three-year program to enable the digitisation of many Victorian regional newspapers. More than 70 reels of newspaper microform have been digitised.

The Library has worked with the Department of Education and Early Childhood Development (DEECD) and local governments to deliver the Young Readers program. The Library has also worked with the Australia Council, the Victorian Public Libraries Network, universities, schools, teacher subject associations,

technology organisations and philanthropic supporters on multiple programs which support both children's and community engagement with reading.

Cultural infrastructure: sustainability and revitalisation

Asset sustainability

The Library contributes to the development of an over-arching strategic asset-management framework that incorporates all cultural infrastructures for which the Department of Premier and Cabinet/ Arts Victoria has responsibility. In particular, the Library contributes to a sustainable funding framework of asset infrastructure to support the service need, viability and longevity of a thriving arts sector in Victoria.

The Library completed its refurbishment program to assist in the development of The Wheeler Centre on its Swanston Street site, and has substantially completed façade rectification on its La Trobe and Russell Street frontages. The ResourceSmart Strategy was revised for the period 2010–12 and achieved reductions in gas use and energy use. The Library has increased the amount of waste recycled and established a baseline for carbon-footprint analysis.

Imagination Unlimited

Education programs

Funding from Margaret Ross and the John T Reid Charitable Trusts has enabled education programs for school children from lower socio-economic backgrounds who attend schools determined as disadvantaged by the Department of Education and Early Childhood Development's Student Family Occupation index. The program began in February 2010 and has been attended by 4715 children.

The *Inside a Dog* and *ergo* websites provide opportunities for young people to engage with the Library's activities and collections in a stimulating and innovative online environment.

The Library continued to develop online educational resources and schools programs to support all exhibitions.

Victorian Cultural Network

The Library developed new content areas for the *ergo* website. Tailored for school-aged students and aligned with the Victorian Essential Learning Standards (VELS), the content is available on the Library's websites and via the FUSE portal.

The Library managed the second stage of the Metro-Regional Pilot ensuring the continuity of the broadband links to the VCN's metro-regional organisations.

World Class Arts to Regional Victoria

The Library's Travelling Treasures program took important items from the State Collection to 1620 students across regional Victoria. In addition, the Bookgig on the Road program, supported by Regional Arts Victoria's arts2go, toured Victoria for two weeks in August and was visited by 2243 people.

A panel display of the Library's temporary exhibition *The Independent Type: Books and writing in Victoria* toured regional Victoria in partnership with the Public Libraries Victoria Network and with the support of Arts Victoria.

City of Literature

The refurbished Barry and Verdon Halls space was handed over to The Wheeler Centre and its sub-tenants in November 2009.

The exhibition *The Independent Type* was held at the Library from 24 April to 26 October 2009 and was visited by 52,866 people. The exhibition was developed to celebrate Melbourne's first year as a UNESCO City of Literature.

In association with the exhibition the Library has published an online literary map of Victoria. The map is available at <http://literarymap.libraries.vic.gov.au>.

The Library delivered the RE Ross Trust Playwrights' Script Development Awards, the Flashpoint Theatre program, the 2009 Premier's Literary Awards, and the Australian Poetry Slam 2009 regional heats and state final.

The Library and Hardie Grant Books co-published *Literary Melbourne: A Celebration of Writing and Ideas*, edited by Stephen Grimwade.

Arts and Culture World Summit 2011

The Library is yet to scope its involvement in the Arts and Culture World Summit in 2011; it will do so when the themes of the summit become available.

Output Framework

The government's output framework sets performance indicators which are aligned to *Creative Capacity+* and Growing Victoria Together. The Library's performance against these measures is reported in the following two tables:

- Portfolio Key Performance Indicators (including Budget Paper 3) (2a)
- Agency-specific Indicators (2b)

Schedule D Part 2a: Output Framework - Portfolio Key Performance Indicators

GVT	CC+	Description	Total Target	Total Actual
Output group 1: Guardianship of the State Collections				
OG1a Collection development & enhancement				
		Acquisitions and deaccessions in accordance with collection-development policies/strategic directions	100%	100%
OG1b Collection management				
		New acquisitions (acquired in current FY), electronically registered to industry standard against agreed targets	100%	100%
G3		Collection stored to industry standard against agreed targets [BP3]	100%	100%
Output group 2: Access and Participation				
G1	G1	OG2a Community engagement activities		
G4	G1	Events	636	743
G4	G1	Attendees	36,265	42,183
G4	G1	Volunteer hours [BP3] ¹	3,400	2,176
G4	G1	Members and Friends [BP3]	870	883
G2	G1	OG2b Community use of facilities		
G1	G1	Access – attendances/users [BP3] ²	1,300,000	1,541,600
G2	G1	Events	395	344
G2	G1	OG2c Education programs		
G2	G1	Students attending educational programs [BP3] ³	25,700	36,929
G2	G1	Teachers attending capability improvement programs and workshops	562	624
G2	G1	OG2d Exhibitions and displays		
G2	G1	Events	14	14
G2	G1	Attendees	384,000	443,921
G2	G1	OG2h Public access to collection/information		
G2	G1	Virtual access to collection	100%	100%
G2	G1	Physical access to collection (either managed or open)	100%	100%
G2	G1	Access – visitors to website [BP3] ⁴	9,011,767	6,154,584
G2	G1	OG2i Visitor experience activities		
G2	G1	Hours/week public has physical access to site	68	68
G4	G3	Visitors satisfied with visit [BP3] ⁵	90%	97%
Output group 3: Sector Development				
G2	G1	OG3a Professional development and other services		
G2	G1	Collaborative projects with NGOs/agencies	18	18
G2	G1	Percentage of participants rating training sessions as good to excellent	90%	97%
Output group 4: Distinctive & Iconic Buildings, Sites & Facilities				
G5	G3	OG4a Facility development		
		Facility development plan currency	1	1
G5	G3	OG4b Facility management and preservation		
G5	G3	Percentage of agreed milestones met in line with asset-management plans	80%	80%
G5	G3	Percentage of milestones met in line with risk-management plan	80%	80%
G5	G3	Conditions of assets as a percentage of new	70%	75%

Schedule D Part 2b: State Library of Victoria Nominated Key Performance Indicators

GVT	CC+	Description	Total Target	Total Actual
Priority Area - Collections Content and Information Resources				
G2	G2	Unique Victorian material digitised and available for online access	91,000	33,693
G2	G2	Percentage of unique Victorian materials digitised	58%	48%
G2	G2	Total digital titles/databases accessible	100,000	120,823
	G1	Items added to the collection	42,450	73,163
	G1	Items added to the catalogue	59,200	59,770
Priority Area - Access & Engagement				
	G1	Programs delivered in regional Victoria	113	190
	G1	Attendance	11,345	28,103
	G1	Satisfaction	95%	95%
G2	G1	Students attending education program sessions (excludes online sessions)	700	933
G2	G1	Attendance	25,700	36,929
G2	G1	Reach	3%	4%
G2	G1	Satisfaction	95%	95%
G2	G1	Online visitors to State Library websites (user sessions)	9,011,767	6,154,584
G2	G1	Customer satisfaction with overall online experience	75%	72%
G1	G1	Visitors to the State Library	1,300,000	1,541,600
G1	G1	Customer satisfaction with overall Library experience	90%	97%
Priority Area - Infrastructure, Skills and Relationships				
G4		Increase the Foundation's capital funds base	\$18M	\$14.4M
G4		Develop philanthropic support for digitising unique Victorian material	\$500,000	\$480,000
G4		Deliver the Library's services to budget	(-/+)10%	10%
G2	G2	Value of training per EFT staff member	\$775	\$460

CC+ refers to the Government's arts policy, *Creative Capacity+ : Arts for all Victorians*. It has three goals:

G1: Arts for all Victorians: a culture of participation

G2: On the threshold: an economy based on innovation

G3: Creative place: a dynamic arts sector

It also outlines four strategies to achieve these goals:

S1: Developing artists, ideas and knowledge

S2: Engaging creative communities

S3: Building creative industries

S4: Creating place and space.

GVT refers to *Growing Victoria Together*, a ten-year vision that articulates what is important to Victorians and the priorities that the government has set to build a better society. The vision includes ten goals:

G1: More quality jobs and thriving, innovative industries across Victoria

G2: Growing and linking all of Victoria

G3: High quality, accessible health and community services

G4: High quality education and training for lifelong learning

G5: Protecting the environment for future generations

G6: Efficient use of natural resources

G7: Building friendly, confident and safe communities

G8: A fairer society that reduces disadvantage and respects diversity

G9: Greater public participation and more accountable government

G10: Sound financial management.

Notes

For comments relating to the Library's nominated key performance indicators please refer to the notes accompanying the 2009–10 Key Performance Indicators table on page 21.

1. Volunteer hours are 36 per cent below target for 2009–10 due to slower than expected implementation of the Volunteer Action Plan. In 2010–11 the Library will seek to invigorate its volunteer program by forming relationships with established volunteer networks and encourage volunteer support with new projects and strategy implementation.
2. Visitors to the Library exceeded target by 19 per cent. The Library had over 1.5M visitors despite closure for 17 days. 2009–10 was the third year in a row that the Library attracted in excess of 1.5M visitors per annum.
3. Students attending educational programs exceeded target by 44 per cent. Highlights for the year included popular sessions delivered as part of the Melbourne Writers' Festival in August 2009 and the introduction of the Open Access education programs with support from the John T Reid Charitable Trust in 2010. Demand for education programs continues to increase.
4. Online visitors measured as user sessions and measure all Library websites including the Vicnet portal. Visitation to the Vicnet portal has decreased as an outcome of the Vicnet business model. Measurement of online visitation has been compromised due to outdated reporting methodologies being applied to new technologies; these issues have been addressed and solutions will be implemented for the 2010–11 reporting year. *Ergo* and *The La Trobe Journal* websites have exceeded their targets by 68 and 127 per cent respectively.
5. Visitors satisfied with visit overall was 97 per cent for 2009–10. The provision of free services (in particular wireless internet, exhibitions and access to information services) and improved use of iconic spaces are drivers for positive visitor experiences.

Acquisitions statistics 2009-10

Volumes added to stock July 2009-June 2010

Category	Method of Acquisition				Total 2008-09
	Purchase	Donation	Govt donation	Legal deposit	
Monographs in series	515	18	573	141	1,349
Monographs: Reference	5,747	570	2546	0	7,771
Monographs: AMPA	2,159	722	69	51	2,381
Monographs: Maps	17	6	0	1	68
Monographs: Rare books	238	128	0	0	380
Monographs: Australiana	2,914	688	18	3,302	7,152
Monographs: Children's	75	14	8	1,254	1,289
Monographs: Australiana rare	262	40	0	5	270
Monographs: Business	10	0	0	0	28
Monographs: Genealogy	484	6	0	0	553
Monographs: Chess/Bridge	128	412	0	0	640
Total monographs	12,549	2,604	3,214	4,754	21,881
Newspapers	309	150	0	931	1,479
Other serials	3,087	296	1,741	3,149	8,330
Total serials	3,396	446	1,741	4,080	9,809
Total volumes	15,945	3,050	4,955	8,834	31,690

Consolidated stock holdings 2008-10

Stock holdings (volumes)	30 June 2008	30 June 2009	30 June 2010
Newspapers	100,501	101,980	103,370
Monographs and serials	1,983,172	2,013,383	2,044,777
Total	2,083,673	2,115,363	2,148,147
Maps	110,687	111,140	111,411
Sound recordings	32,394	34,383	36,579
Video recordings	4,096	4,566	4,958
Exhibition catalogues	106,854	119,976	131,808
Theatre programs (linear metres)	83.97	85.77	87.27
Ephemera (linear metres)	65.88	68.02	68.66
Manuscripts (linear metres)	7,190	7,310	7,379
Pictures	724,523	738,532	775,823

Notes

'La Trobe' has been altered to 'Australiana' to more accurately reflect acquisition processes.

'Chess' now includes Bridge to emphasise the Bourke Contract Bridge donation.

Library Board and Corporate Governance

Functions and Powers of the Library Board of Victoria

The affairs of the State Library of Victoria are governed by the Library Board of Victoria. The Board is a statutory body corporate established under section 16 of the *Libraries Act 1988*. The relevant Minister was Lynne Kosky MP, Minister for the Arts until her resignation from Parliament on 18 January. She was succeeded by Peter Batchelor MP, Minister for the Arts, on 20 January.

The functions of the Board are set out in Section 18 of the *Libraries Act 1988* and include the following:

- ensuring the maintenance, preservation and development of a State Collection of Library material including a comprehensive collection of Library material relating to Victoria and the people of Victoria
- ensuring that the Library material in the State Collection is available to such persons and institutions, and in such manner and subject to such conditions as the Board determines with a view to the most advantageous use of the State Collection
- ensuring the availability of such other services and facilities in relation to Library matters and Library material (including bibliographical services) as the Board determines
- arranging the publication and sale of reproductions of any Library material in the State Collection
- overseeing the exhibition of material from the State Collection for information, education and entertainment

- overseeing cooperation in programs with libraries and information organisations to promote access to Library and information services and resources
- exercising leadership and promoting high standards in the provision of library and information services
- providing advice and information to the Minister on any matter concerning libraries and information organisations
- performing any other functions appropriate to the Board as the Minister may approve.

In carrying out its functions the Board must endeavour to ensure that through the variety and breadth of the Library's services, programs, events, exhibitions and activities, the institution contributes to the enrichment of the cultural, educational, social and economic life of the people of Victoria, and has power to do all things necessary or convenient in connection with the performance of its functions.

The Library Board of Victoria is committed to the highest standards of governance in managing the Library's human and physical resources, and in pursuing opportunities for continuous improvement.

The Library's governance framework comprises four elements:

- strategy and direction
- structures, relationships and policies
- compliance and accountability
- performance monitoring.

Corporate Plan

- The Library delivered services against its 2007–10 Corporate Plan. The plan sets out:
- the vision, which provides an overarching framework for the Library's work
- the values that the Library Board of Victoria and State Library staff have chosen to guide their work
- the priority areas for delivering the program to which the Library committed
- the goals for each of the priority areas, with a specific statement of outcomes
- the quantitative targets that will be used to measure success.

The Library's performance against the quantitative targets set in the Corporate Plan is available on page 21.

Service agreement

2009-10 was the third year of the three-year service agreement between the Minister for the Arts and the Library Board of Victoria. The purposes of the agreement are:

- to clarify the parties' arrangements as to the kind and quality of services the Library will deliver in return for funds received from government for the term of the agreement
- to enhance the overall transparency and accountability of statutory bodies as part of the government's oversight of governance and financial responsibilities
- to record the government's priority areas for the term of the agreement.

For the Library's performance against the key performance indicators and delivery under the Government Priority Areas as outlined in the Service Agreement, refer to page 26.

Policy framework

The Library's policy framework was approved by the Board in February 2008. The framework establishes consistent development, approval, implementation and monitoring procedures for Library policies. The central policy register is available to all staff via *The Fridge*, the Library's intranet.

Board members

The Library Board of Victoria consists of up to 11 members, appointed by the Governor in Council on the recommendation of the Minister. Current Board members have academic, educational, business, local government, information technology, science and humanities backgrounds and skills. Members are appointed for terms of up to three years and are eligible for reappointment. The Library Board of Victoria met on eight occasions during the period from July 2009 to June 2010.

The Hon. John Cain
(President)
(attended 8 meetings)

Mr Kevin Quigley
(Deputy President)
(attended 6 meetings)

Mr Bruce Akhurst
(from 24 May 2010)
(attended 1 meeting)

Ms Robyn Annear
(attended 6 meetings)

Dr Catherine Dale
(attended 7 meetings)

Prof. Merran Evans
(attended 5 meetings)

The Hon. Sherryl Garbutt
(attended 7 meetings)

Ms Sylvia Geddes
(from 24 May 2010)
(attended 1 meeting)

Mr Dennis Goldner
(from 24 May 2010)
(attended 1 meeting)

Ms Susan Halliday
(to 23 May 2010)
(attended 7 meetings)

Mr Stephen Kerr
(attended 8 meetings)

Mr Glenn Mescher
(to 23 May 2010)
(attended 4 meetings)

Ms Anne-Marie Schwirtlich
(Chief Executive Officer)

Ms Sally Donovan
(Executive Officer)

Pecuniary interests

Declarations of pecuniary interests were duly completed by all Board members and relevant officers.

About Board members

The Hon. John Cain, President

John Cain was appointed to the Library Board of Victoria in 2005, and was reappointed, for three years, in 2008. He served as a member of the Legislative Assembly of Victoria from 1976 to 1992, including three terms as Premier of Victoria from 1982–90 and also served as Attorney-General. Mr Cain graduated in law from the University of Melbourne in 1953 and subsequently practised in suburban Melbourne. He was Chairman and President of the Victorian Law Institute, a member of the executive of the Law Council of Australia and a member of the Australian Law Reform Commission.

Mr Cain became a Professorial Associate in the Centre for Public Policy, University of Melbourne, in 1991, and has since published three books. He teaches Australian politics and public policy, and is a regular political commentator in the local media.



Kevin Quigley, Deputy President

Kevin Quigley was appointed to the Library Board of Victoria in June 2002 and chairs the Audit Committee. He was reappointed to the Board for three years in 2005 and in 2008. He is a chartered accountant who has worked at a senior level in public practice, commerce and the public sector. He is a member of the Council of the University of Ballarat and Chair of its Finance Committee. Mr Quigley is Chair of the Audit Committee of the Department of Justice and an independent member of the Audit Committee of the City of Moreland. He is President of the Melbourne Athenaeum, Melbourne's oldest cultural institution and National Secretary of the Veteran Car Club of Australia.



Bruce Akhurst

Bruce Akhurst was appointed to the Library Board of Victoria, for a three-year term, in May 2010. He is Chief Executive Officer of Sensis Pty Ltd, a position he has held since January 2005, Chairman of the Board of FOXTEL and a number of Telstra-owned businesses in China. A lawyer by training, Mr Akhurst relinquished the position of Managing Partner with Mallesons Stephen Jaques to join Telstra in 1996 as its General Counsel. He brings to the Board strong skills in the areas of business administration, finance and the law.



Robyn Annear

Robyn Annear was appointed to the Library Board of Victoria in September 2006 and chairs the Creative Fellowships Committee. She is an award-winning writer of non-fiction who has been extensively associated with the Library through its Writers on the Road program, as a Creative Fellow, as a judge of the Premier's Literary Awards, and as curator of the exhibition *Naked Democracy*. Ms Annear lives in Castlemaine and brings to the Board her experience in education and the humanities.



Catherine Dale

Dr Catherine Dale was appointed to the Library Board of Victoria in June 2002, and was reappointed, for three years, in 2005 and 2008. Catherine is the Chief Executive Officer for the Boroondara City Council and previously held positions as Chief Executive Officer, Bayside City Council, Nillumbik Shire Council and Director of Planning and Development, City of Boroondara. Dr Dale is also a board member of Montsalvat and brings valuable experience in local government to the Board.



Merran Evans

Professor Merran Evans was appointed to the Library Board of Victoria in June 2009. She is Pro Vice-Chancellor (Planning & Quality) at Monash University, where her previous administrative appointments included Director of University Planning and Statistics and Director of the Monash University London Centre and Planning and Academic Affairs. She has also been Associate Chair of Academic Board and Associate Dean (Undergraduate Teaching) in the Faculty of Business and Economics. Her academic appointments have included Associate Professor in the Department of Econometrics at Monash, and Lecturer in Statistics and Researcher in the Institute of Applied Economic and Social Research at the University of Melbourne. Professor Evans' research output includes a book and many publications in econometrics, economic and statistical journals. She is a member of many University academic and management committees, and has a number of external and international memberships. She was awarded a Centenary Medal for services to Education. Professor Evans brings to the Board experience in governance, planning, economics, business and education.



The Hon. Sherryl Garbutt

Sherryl Garbutt was appointed to the Library Board of Victoria in 2007, and was reappointed, for three years, in 2010. She served five terms in the Victorian Parliament as Member for Greensborough, then Member for Bundoora from 1989 to 2006. During that time she served as Minister for Environment and Conservation, Women's Affairs, Community Services and Victoria's first Minister for Children. Her wide experience in public administration, teaching and community organisations serves the Board well.



Sylvia Geddes

Sylvia Geddes was appointed to the Library Board of Victoria in May 2010, for a three-year term, and serves on its Creative Fellowships Committee. She was Chief Executive Officer of The R E Ross Trust until her retirement in July 2008. Before joining the Trust, in 2000, she was Manager, Charitable Services, with ANZ Trustees. She has extensive experience as a senior policy and program manager in both Commonwealth and State governments in areas of social policy – particularly families, youth and homelessness – and headed the Australian Government's Office for the Aged. She is a Trustee of Trust for Nature, a member of the Council of the Victorian Association for the Care and Resettlement of Offenders and a Sounding Board member of Flinders Quartet. She brings to the Board strong skills in the areas of policy and business administration.



Dennis Goldner

Dennis Goldner was appointed to the Library Board of Victoria for a three-year term in May 2010 and serves on the Board's Finance Committee. He retired from Deloitte in May 2009 having been the Partner leading the firm's government services practice in Victoria. Dennis Goldner has had experience at senior levels in both the Australian and Victorian public services, particularly in the areas of public policy economics (specialising in competition policy) and trade and investment promotion. He chairs the Deloitte Foundation and Regional Arts Victoria, is a Director of the Royal Children's Hospital Board and serves on the Board Finance and Audit Committee of Oxfam Australia. He brings to the Board strong skills in the areas of business administration and finance.



Susan Halliday

Susan Halliday was first appointed to the Library Board of Victoria in September 2001, and was reappointed for three years in 2004, and again in 2007. Originally a teacher of English and history, she pursued an extensive private sector career followed by simultaneous terms serving as Federal Sex Discrimination Commissioner and Disability Discrimination Commissioner from 1998 to 2001. Appointed inaugural Chairperson of Victoria's largest professional regulatory body, the Victorian Institute of Teaching in 2002, Ms Halliday continues in that role and as a Board member of Caraniche Pty Ltd. Ms Halliday's private companies include an employment law and investigations firm which she established in 2001 and a production company specialising in children's literacy projects, established in 2008. A Life Governor of the Australian Childhood Foundation, with profiled expertise in the fields of education and human rights, Ms Halliday retired from membership of the Board in May 2010 after serving the maximum number of terms.



Stephen Kerr

Stephen Kerr was appointed to the Library Board of Victoria in August 2005 and was reappointed for three years in 2008. He has been a member of the State Library of Victoria Foundation since its inception and is its immediate past-chairman. He has worked in the communications industry for nearly 25 years. He was a director of International Public Relations and its successor companies – IPR Shandwick and Shandwick International and was managing director of Weber Shandwick Worldwide's Australian operations. He is the founder and chief executive of the Public Relations Exchange and is a governor of the Corps of Commissionaires.



Glenn Mescher

Glenn Mescher joined the Library Board of Victoria in February 2002 and was reappointed for three years in 2004 and 2007. He has a background in information technology and is a Fellow of the Australian Computer Society. Mr Mescher has worked for a number of large corporations and currently holds the position of Executive General Manager, Group Regulatory Affairs, Operational Risk and Compliance at the National Australia Bank. Mr Mescher retired from membership of the Board in May 2010 after serving the maximum number of terms.



Standing committees

The Library Board of Victoria has a number of standing committees.

Advisory Committee on Public Libraries

The Advisory Committee on Public Libraries acts as an advisory group to the Board and a communication link between the Board and public libraries. The committee met on four occasions during the period 1 July 2009 to 30 June 2010.

2009-10 membership

The Hon. John Cain
(Chair)
(attended 4 meetings)

Ms Robyn Annear
(to August 2009)

Mr Joseph Cullen
(attended 4 meetings)

Cr Rod Fyffe
(attended 3 meetings)

Ms Jenny Mustey
(attended 2 meetings)

Mr John Murrell
(attended 3 meetings)

Mr Kevin Quigley
(attended 1 meeting)

Ms Anne-Marie Schwirtlich
(attended 4 meetings)

Ms Karen Ward-Smith
(attended 4 meetings)

SLV representatives

Ms Sue Hamilton

Executive officer

Ms Debra Rosenfeldt

Audit Committee

The Audit Committee advises the Board on the most appropriate and cost-effective ways in which the Board may discharge its custodial responsibilities and statutory reporting obligations.

In carrying out its functions, the committee holds regular meetings to consider risk management, including the implementation of all internal audit recommendations and twice yearly review of the Library's risk register. No member of the Audit Committee fills an executive management position at the Library. The committee met six times during the year, and once jointly with the Finance Committee.

2009-10 membership

Mr Kevin Quigley
(Chair)
(attended 7 meetings)

Dr Catherine Dale
(attended 3 meetings)

Ms Marianne Di Giallonardo
(attended 6 meetings)

The Hon. Sherryl Garbutt
(attended 7 meetings)

Ms Sue Hurley
(attended 5 meetings)

SLV representatives

Ms Anne-Marie Schwirtlich

Ms Kate Molloy

Mr Tony Haeusler

Executive officer

Ms Merryn Shaw

Collections committee

The Collections Committee advises the Board on issues concerning the acquisition, maintenance and promotion of the State Collection. There have been three meetings of the Committee during the period 1 July 2009 to 30 June 2010. Ms Susan Halliday retired from the Library Board of Victoria and associated positions on 23 May 2010. Ms Halliday will continue as an independent member of the committee.

2009-10 membership

Ms Susan Halliday
(Chair to 23 May 2010)
(attended 3 meetings)

The Hon. Sherryl Garbutt
(attended 3 meetings)

Professor Merran Evans
(from March 2010)
(attended 1 meeting)

Dr Richard Broome
(attended 2 meetings)

Ms Justine Heazlewood
(attended 2 meetings)

Ms Bridget McDonnell
(attended 2 meetings)

Mr Ian Renard
(attended 3 meetings)

Assoc. Prof. Robyn Sloggett
(attended 2 meetings)

Mr Douglas Stewart
(attended 3 meetings)

SLV representatives

Mr Shane Carmody

Ms Jo Ritale

Executive officer

Ms Liz Jesty

Executive Appointments and Remuneration Committee

The Government Sector Executive Remuneration Panel is responsible for determining the Library's policy and practice relating to executive remuneration and individual remuneration packages for executives. The committee met on 2 September 2009. The next meeting of the Committee is likely to be in August 2010.

2009-2010 membership

The Hon. John Cain
(Chair)
(attended 1 meeting)

Ms Susan Halliday
(retired May 2010)
(attended 1 meeting)

Mr Glenn Mescher
(retired May 2010)
(attended 1 meeting)

Dr Catherine Dale
(attended 1 meeting)

The Hon. Sherryl Garbutt
(attended 1 meeting)

SLV representatives

Ms Anne-Marie Schwirtlich

Ms Kate Molloy

Executive officer

Ms Kate Molloy

Finance committee

The Finance Committee advises the Board on the most appropriate and cost-effective way in which the Board may discharge its financial management obligations.

Mr Glenn Mescher and Ms Susan Halliday retired from the Library Board of Victoria and associated positions on 23 May 2010. Mr Mescher continues as an independent member of the committee.

The committee met eight times during the year, and once jointly with the Audit Committee.

2009-10 membership

Mr Glenn Mescher
(Chair to 23 May 2010)
(attended 7 meetings)

Mr Stephen Kerr
(Chair from 24 May 2010)
(attended 8 meetings)

Mr Andrew Coloretti
(attended 6 meetings)

Ms Susan Halliday
(retired 24 May 2010)
(attended 1 meeting)

Mr Dennis Goldner
(attended 8 meetings)

SLV representatives

Ms Kate Molloy

Mr Tony Haeusler

Executive officer

Ms Merryn Shaw

State Library of Victoria Foundation Committee

The Foundation Committee assists the Board by attracting and retaining interest and financial support for the Library and by developing, maintaining and promoting the State Collection. In addition, the Foundation Committee advises the Board on and oversees the affairs of the Foundation. The committee met on ten occasions during the period from July 2009 to June 2010.

2009-10 Executive Committee

Mr Peter Lothian
(Chair)
(attended 9 meetings)

Mr Martin Armstrong
(attended 0 meetings)

Mr John Arnold
(attended 5 meetings)

The Hon. John Cain
(attended 10 meetings)

Dr Anne Colman
(attended 8 meetings)

Mr Andrew Coloretti
(attended 5 meetings)

Mr Arturo Gandioli Fumagalli
(attended 6 meetings)

Mrs Kerry Gillespie
(leave of absence until January 2010,
resigned February 2010)

Mr Gary Graco
(attended 7 meetings)

Ms Claire Hausler
(joined in October 2009,
attended 8 meetings)

Ms Julie Kantor
(attended 5 meetings)

Mr Stephen Kerr
(attended 9 meetings)

Mr Robert Lang
(attended 8 meetings)

Mr John Mortimore
(attended 7 meetings)

Mr David Mullaly
(attended 8 meetings)

Mrs Maria Myers AO
(resigned in August 2009,
attended 0 meetings)

Ms Anne-Marie Schwirtlich
(attended 6 meetings;
Sue Hamilton, while Acting CEO,
attended 3 meetings)

Executive director

Mr Michael van Leeuwen

SLV representative

Mr Tony Haeusler

Executive officer

Ms Taegan Munro

Creative Fellowships Committee

The Creative Fellowships Committee was established by the Library Board of Victoria in February 2009.

The role of the Committee is to advise the Board on all aspects of the State Library of Victoria Fellowships Program, including making recommendations to the Board on projects to receive support. The committee met once in 2009-10 on 13 May 2010 in order to select recommended candidates for the Dr Joseph Brown Fellowship and the State Library of Victoria Fellowships. Dr Dianne Reilly and Ms Susan Halliday were apologies for the meeting but contributed their suggestions for consideration by the Committee.

2009-10 membership

Ms Robyn Annear
(Chair)
(attended 1 meeting)

Mr Joel Becker
(attended 1 meeting)

Ms Sylvia Geddes
(attended 1 meeting)

Ms Susan Halliday
(attended 0 meetings)

Mr Peter Lyssiotis
(attended 1 meeting)

Dr Dianne Reilly AM
(attended 0 meetings)

SLV representatives

Mr Shane Carmody

Executive officer

Mr Shane Carmody

Assisted by: Ms Jo Ritale and
Ms Gail Schmidt

Library Executive

Under the direction of the Library Board of Victoria, the Executive is responsible for the effective management of the Library and its collections, services, programs and responsibilities. The Executive comprises the Chief Executive Officer and State Librarian, three Directors and the Chief Technology Officer. The Directors each head one of the Library's three departments: Corporate Services and Planning; Collections and Access; and Community, Learning and Public Library Partnerships. The Chief Technology Officer is responsible for the Office of eStrategy and Innovation. Following Ian Patterson's departure in December 2009 the position has been held as vacant.

Anne-Marie Schwirtlich

Anne-Marie Schwirtlich is the Chief Executive Officer and State Librarian. She has overall responsibility for ensuring that the Board's directions are implemented, for sound corporate governance, and for the management of the State Collection and the operations of the Library. Staff who provide direct support to the Chief Executive Officer are an executive assistant and an administration coordinator.

Kate Molloy

As Director, Corporate Services and Planning, Kate Molloy is responsible for financial management and corporate governance, business planning and reporting, commercial services, human resources, buildings and facilities, and the Library's information and communications technology infrastructures and applications. The Director, Corporate Services and Planning provides executive support to the Board's Audit Committee, Finance Committee and Executive Appointments and Remuneration Committee.

Shane Carmody

Shane Carmody is the Director, Collections and Access. He is responsible for the State Collection, information services and resources, acquisitions, digitisation and cataloguing, collection conservation, storage, retrieval and reformatting, and exhibitions and events. The Director, Collections and Access provides executive support to the Board's Collections Committee and the Creative Fellowships Committee.

Sue Hamilton

Sue Hamilton is the Director, Community, Learning and Public Library Partnerships. She is responsible for managing the Library's relationship with the state-wide network of public libraries, its learning services program, communications and marketing, publications and communications, and Vicnet's community technology and outreach programs. The Director, Community, Learning and Public Library Partnerships provides executive support to the Board's Advisory Committee on Public Libraries.

Organisational structure



Reconciliation of Executive Officers

Table 1

Number of executive officers classified into 'Ongoing' and 'Special Projects'

Class	All		Ongoing		Special Projects	
	No.	Var.	No.	Var.	No.	Var.
EO-1	0	0	0	0	0	0
EO-2	1	0	1	0	0	0
EO-3	3	0	3	0	0	0
Total	4	0	4	0	0	0

Table 2

Breakdown of executive officers into gender for 'Ongoing' and 'Special Projects'

Class	Ongoing					Special Projects				
	Male No.	Var.	Female No.	Var.	Vacancies No.	Male No.	Var.	Female No.	Var.	Vacancies No.
EO-1	0	0	0	0	0	0	0	0	0	0
EO-2	0	0	1	0	0	0	0	0	0	0
EO-3	1	0	2	0	0	0	0	0	0	0
Total	1	0	3	0	0	0	0	0	0	0

Table 3

Executives with remuneration over \$100,000

		2010	2009
Add	Vacancies	4	4
	Executives employed with total remuneration below \$100,000	0	0
	Accountable Officer (Secretary)	0	0
Less	Separations	0	0
Total executive numbers at June		4	4

Table 4

Number of Executive Officers for the Department's portfolio entities

Portfolio Agencies	Total		Vacancies		Male		Female	
	No.	Var.	No.		No.	Var.	No.	Var.
State Library of Victoria	4	0	0		1	0	3	0
Total	4	0	0		1	0	3	0

Financial Management: Delivering the Library's Services to Budget Target

Major contracts

There were no major contracts in excess of \$10 million.

Victorian Industry Participation Policy

None of the State Library of Victoria's contracts valued at more than \$3 million in metropolitan areas and \$1 million in regional areas triggered the Victorian Industry Participation Policy (VIPP).

National Competition Policy

The annual review of Library fees and charges was completed during the year. The aim of this review is to ensure that all fees and charges comply with the National Competition Policy.

Compliance with the *Building Act 1993*

The State Library of Victoria redevelopment works comply with the *Building Act 1993*. The Library complies with the Building Code of Australia and with the relevant Australian standards for all buildings and building works. Essential services are maintained in accordance with the Building Code and the relevant Australian standards specific to the maintenance of essential services.

Occupational Health and Safety performance measures

The general indicators of organisational health, employee turnover and absenteeism, continue to demonstrate that the Library's performance is acceptable. Employee turnover for the year averaged approximately 11.4 (10.8 as at 31 May) per cent (greater than 15 per cent warrants investigation). Employee absenteeism (unplanned) averaged approximately 5.0 per cent (greater than five per cent warrants investigation).

The cost and number of WorkCover claims continued to decline due to improvements in safe work practices and an emphasis on effective management of return to work plans for claimants. Actual costs of claims have fallen by approximately 90 per cent since 2003–04. The cost of WorkCover insurance premiums fell by 25.6 per cent in 2009–10, representing a reduction in premium costs of over 70 per cent since 2003–04.

The Library satisfactorily completed a mid-term audit under the SafetyMap Health and Safety Management Systems audit in March 2010, with zero non-conformances. This is regarded as a very good result and an endorsement of the Library's high standards adopted for the Library's Safety Management Systems.

The Library experienced no lost time injuries for the year and was free of lost time injuries for a total of 428 days.

The Library continued to provide a number of initiatives to promote employee health and wellbeing, including free onsite health checks, the provision of swine flu and influenza vaccinations for Library staff, participation in eye health week – including free eye testing, onsite periodic yoga classes, onsite bicycle storage facilities, participation in a Corporate Challenge fitness promotion and Library staff were offered discounted private health insurance from HCF.

Financial information

Material revenues arising from exchange of goods or services
There were no transactions of this nature.

Intangible assets
The Library has no recorded intangible assets.

Bank Loans, bills payable, promissory notes, debentures and other loans
There were no transactions of this nature.

Issued Capital
The Library has no issued capital.

Ex-gratia payments
There were no transactions of this nature.

Charges against assets
There are no charges against assets recorded by the Library.

Events subsequent to balance date
There were no events subsequent to 30 June 2010 that will have an impact on the 2010–11 reporting period.

Public Sector Values and Employment Principles

Under the provisions of the *Public Administration Act 2004*, the Library is required to establish employment processes that uphold the Employment Principles established under the Act.

Employment processes are to be established to ensure that:

- employment decisions are based on merit
- public sector employees are treated fairly and reasonably
- equal employment opportunity is provided
- public sector employees have a reasonable avenue of redress against unfair or unreasonable treatment.

The Act also requires that public sector officials should demonstrate behaviours which conform to the public sector values of Responsiveness, Integrity, Impartiality, Accountability, Respect and Leadership. A code of conduct, developed by the Public Sector Standards Commissioner, is available to ensure the promotion of the values and employment principles.

The Library has responded to the provisions of the *Public Administration Act 2004* as follows:

Employment principles

The Enterprise Partnership Agreement (EPA) expressly provides that members of selection panels be adequately trained to ensure that selection decisions are based on merit, equity, transparency and open competition.

Staff are regularly involved in recruitment and selection receive information and education on legislative requirements and anti-discrimination issues.

Training and development programs are in place for managers and supervisors that focus on fair and reasonable treatment of staff.

Experienced Human Resource consultants are available to work with managers and supervisors to ensure that decisions affecting employees are based on fairness and reasonableness.

Training and development initiatives are tailored to ensure that all staff have equal opportunities to access training.

Job design processes taken into account Equal Employment Opportunity (EEO) considerations and, where appropriate, remove any factors that may discriminate against a recognised group.

The performance management system provides a consistent and equitable method of managing performance and remuneration.

Grievance processes exist in order to provide a consistent avenue for redress against unfair or unreasonable treatment through conciliation, resolution or referral of grievances.

Public sector values

The EPA provides a set of Library values that either supplement or focus the public sector values as they relate to the Library. The Library's values promote Access to Information, Customer Service, Building Knowledge, Respect, Teamwork, the Networked Future and Lifelong Learning.

The EPA outlines a set of characteristic qualities, underlying styles and skills demonstrated by effective leaders within the Library. The set of qualities was developed through consultation with Library employees.

The Library was a founding subscriber to the State Services Authority's Ethics Resources Kit which will be incorporated into the Library's suite of management and employment development systems.

The Library has adopted the State Services Authority's Code of Conduct as part of its Enterprise Partnership Agreement.

Statement of Workforce Data and Merit and Equity

	Ongoing				Fixed term & casual employees
	Employees (Headcount)	Full time (Headcount)	Part time (Headcount)	FTE	FTE
June 2010	276	237	39	254.74	72.53
June 2009	271	236	35	252.00	92.60

	June 2010			June 2009			Var		
	Ongoing		Fixed term & casual employees	Ongoing		Fixed term & casual employees	Ongoing		Fixed term & casual employees
	Employee (Headcount)	FTE	FTE	Employee (Headcount)	FTE	FTE	Employee (Headcount)	FTE	FTE
Gender									
Male	110	102.86	26.59	108	102.26	35.41	-2	-0.6	8.82
Female	166	151.88	45.94	163	149.74	57.19	-3	-2.14	11.25
Age									
Under 25	6	5.80	16.64	5	5.00	16.99	-1	-0.8	0.35
25-34	34	33.20	30.33	26	25.20	42.24	-8	-8	11.91
35-44	72	66.08	9.82	73	68.38	12.87	1	2.3	3.05
45-54	94	86.06	9.84	97	88.96	13.85	3	2.9	4.01
55-64	64	58.40	5.65	64	59.10	6.40	0	0.7	0.75
Over 64	6	5.20	0.25	6	5.36	0.25	0	0.16	0
Classification									
VPS 1	4	3.80	19.37	5	4.34	22.33	1	0.54	2.96
VPS 2	64	56.44	11.45	59	53.18	20.05	-5	-3.26	8.6
VPS 3	98	90.30	22.31	96	89.00	29.17	-2	-1.3	6.86
VPS 4	43	40.50	5.60	46	43.40	6.80	3	2.9	1.2
VPS 5	41	38.20	4.80	38	36.00	4.00	-3	-2.2	-0.8
VPS 6	19	18.80	3.00	18	17.80	4.00	-1	-1	1
STS	0	0.00	1.00	1	1.00	1.25	1	1	0.25
Executives	0	0.00	4.00	0	0.00	4.00	0	0	0
Other	7	6.70	1.00	8	7.28	1.00	1	0.58	0

Environmental Performance

The Library is improving its environmental performance in many ways, including:

- implementing further initiatives to reduce energy consumption, resulting in a further five per cent reduction over the last 12 months
- participating in the government's ResourceSmart strategy
- developing an Environmental Management Plan
- engaging staff to determine priority actions for environmental improvement
- installing motion-sensor lighting in collection stack areas
- reducing lighting levels during non-work hours
- implementing new waste-management practices as part of a new cleaning contract
- enlisting staff as Green Leaders
- completing Carbon Roadmap Stage 1, which identifies a number of initiatives for future action
- introducing electrical sub-metering to selected plant and equipment
- introducing and trialing mechanical services dead band strategy
- integrating environmental performance into building maintenance contracts.

The Library entered the Premier's Sustainability Awards 2010. The focus of the entry was on achievements in saving electricity through adjusting the Building Automation System controls and improving the building plant and infrastructure.

Office-based environmental impacts

Environmental aspect	Description	Unit of measure	2008-09	2009-10
Energy	Total use ¹	Gigajoules	24,988	24,001
	Total associated greenhouse gas emissions	Tonnes CO ₂	8,327	7,774
	Percentage of electricity purchased as GreenPower	%	15	15
	Use per sq.m. office space	Megajoules	500	480
	Total GreenPower	Kilowatt hours	1,041,149	1,000,053
	Total cost of GreenPower	Dollars	55,416	53,155
Waste	Total recycled	Kilograms	32,578	71,881
Paper	Total use	Reams	3,000	2,200
Water	Total consumption	Litres	21,357,000	16,937,800
Transportation	Total fuel consumption	Gigajoules	250	73
	Total travel by Library vehicles	Kilometres	77,891	20,007
	Total greenhouse gases	Tonnes CO ₂	21.5	5.5

Notes

All figures based on following: 50,000 sq.m.
Water consumption based on invoiced amount for secondary meter and actual SLV readings at primary meter.

FTE measures on waste, paper and water have been removed due to the distortion caused by high patron numbers.

¹ Excludes gas as per reporting requirements consistent with ResourceSmart.

Diversity and Access

The State Library of Victoria has a long tradition of engaging the community and providing skills for life through the provision of equitable access to information, resources, technologies and targeted programs for vulnerable community groups. The Library has worked progressively, often in partnership with public libraries and other agencies, to develop collections and services that meet the changing needs of Victoria's culturally and linguistically diverse and Indigenous communities.

Work has begun on a Cultural Diversity Plan which will provide a formal, planned approach for these activities. The plan, which will be completed by the end of the calendar year, will seek input from staff, community groups and the Victorian Multicultural Commission.

As full-time students account for more than one-third of all visitors, the Library has continued to produce a large array of free educational resources linked to the VELS and VCE curricula, designed to be used by teachers or students either in the classroom or as tools for professional development, and developed targeted programs to assist students from disadvantaged schools.

The Library provides relevant information resources, adaptive technologies and equipment, and works collaboratively with Victorian public libraries in the development of initiatives to facilitate accessible services for people with special needs. All of these activities significantly contribute to the socio-economic and cultural growth of the Victorian community and support the government's objectives as outlined in policies statements and legislation

such as *Growing Victoria Together*, *A Fairer Victoria 2008: Strong People, Strong Communities*, the *Multicultural Victoria Act* (2004) and the *Victorian Charter of Human Rights and Responsibilities Act* (2006).

Services for women

Although market research indicates that the split between male and female Library users is relatively equal, there are particular services such as genealogy training, Healthwise workshops, special events and exhibitions (such as *'til you drop: shopping – a Melbourne history*), which attract a high number of female users.

The Library has continued to promote the historical role and contribution of women in society; for example, during the year, Creative Fellow Christine Eid undertook research into the role of Victoria's female taxi drivers in the period 1918–2008.

Services for youth

Full-time students account for 31 per cent of all visitors to the Library. School groups are frequent visitors to the Library's semi-permanent exhibitions, while students from all levels are heavy users of the Library's online services, particularly the email and interactive reference services. The Library continues to produce a large array of educational resources in both text and audio-visual formats: these freely available resources are designed to link with the VELS and VCE curricula and may be used by teachers or students either in the classroom or as tools for professional development.

During the year specific efforts by the Library to develop family-friendly spaces, and to provide special collections and programs have successfully attracted increasing attendance by families and youth.

Freedom of Information

This section contains information required to be published annually under Part II of the *Freedom of Information Act 1982* ('the Act'). Additional information required under Part II of the Act is located elsewhere in this report.

Categories of documents

Documents that are maintained in the possession of the agency include:

- documents prepared for briefing the Minister for the Arts
- internal working papers of the Library
- correspondence from ministers and members of parliament, government departments and agencies, members of the public and private sector
- records relating to accounts
- personnel and salary records
- organisation and accommodation records.

Access arrangements

Handling the requests for access to documents under the Act is the responsibility of the Library's Freedom of Information Officer:

Frances Savage

State Library of Victoria
328 Swanston Street
Melbourne Victoria 3000

Access to documents may only be obtained through written request. Applications should be as specific as possible to enable the Freedom of Information Officer to identify relevant documents as quickly and

efficiently as possible. A \$23.90 Fol Application Fee should accompany each request. Other charges may apply. As required by the Act, all reasonable steps are taken to enable the applicant to be notified of a decision concerning the release of documents as soon as practicable, and not later than 45 days after the day on which the request is received by the Library.

Requests in 2009-10

During 2009-10 one Freedom of Information request was received.

Literature available by subscription or free mailing lists

Literature available from the Library by subscription or free mailing lists includes:

State Library of Victoria News
The La Trobe Journal
State Library Insider eNewsletter

Availability of additional information

Information available to the relevant minister, members of parliament and the public upon request is as follows:

- a statement that declarations of pecuniary interests have been duly completed by all relevant officers
- details of shares held by a senior officer as nominee or held beneficially in a statutory authority or subsidiary

- details of publications produced by the Library or about the Library, and the places where these publications can be obtained
- details of changes in prices, fees, charges, rates, and levies charged by the Library
- details of any major external reviews carried out on the Library
- details of any major research and development activities undertaken by the Library
- details of any overseas visits undertaken, including a summary of the objectives and outcomes of each visit
- details of major promotional, public relations and marketing activities undertaken by the Library to develop community awareness of the Library and the services it provides
- details of assessments and measures undertaken to improve the occupational health and safety of employees
- a general statement on industrial relations within the Library and details of time lost through industrial incidents and disputes
- a list of major committees sponsored by the Library, the purposes of each committee and the extent to which the purposes have been achieved.

Whistleblowers Protection Act 2001

The State Library of Victoria (the Library) is committed to the aims and objectives of the *Whistleblowers Protection Act 2001* (the Act). The Library does not tolerate improper conduct by its employees, officers or members, nor the taking of reprisals against those who come forward to disclose such conduct.

The Library recognises the value of transparency and accountability in its administrative and management practices, and supports the making of disclosures that reveal corrupt conduct, conduct involving a substantial mismanagement of public resources, or conduct involving a substantial risk to public health and safety or the environment.

The Library will take all reasonable steps to protect people who make such disclosures from any detrimental action in reprisal for making the disclosure. It will also afford natural justice to the person who is the subject of the disclosure.

Full written procedures outlining the system for reporting disclosures of improper conduct or detrimental action by the Library or its employees are available on the Library's website. The procedures include detailed information about confidentiality, conduct of investigations and managing the welfare of the whistleblower.

Disclosures of improper conduct or detrimental action by the Library or its employees may be made to the following officers:

Protected Disclosure Coordinator

Frances Savage
State Library of Victoria
328 Swanston Street
Melbourne Victoria 3000
Phone: 03 8664 7431

Protected Disclosure Officer

Kate Molloy
State Library of Victoria
328 Swanston Street
Melbourne Victoria 3000
Phone: 03 8664 7511

Alternatively, disclosures of improper conduct or detrimental action by the Library or its employees may be made directly to the Ombudsman:

The Ombudsman Victoria
Level 3, 459 Collins Street
Melbourne Victoria 3000

Email
ombudvic@ombudsman.vic.gov.au

Phone
03 9613 6222

Toll Free
1800 806 314

There were no disclosures made to the State Library of Victoria during 2009–10.

Consultancies

There were 81 consultancies engaged during the year, each costing less than \$100,000, for a total of \$964,996.

Reportable consultancies over \$100,000

Consultant/payee	Details	Total approved fee	Expenditure in 2009-10	Future expenditure
Harbinger Group Pty Ltd	Knowledge Bank: Next Generation – (education services websites)	\$219,828	\$169,828	\$50,000
Harbinger Group Pty Ltd	State Library of Victoria website redevelopment	\$447,758	\$196,800	Nil
SGS Economics and Planning Pty Ltd	Building knowledge for library advocacy (work on the value of public libraries to the Victorian community)	\$180,000	\$127,273	\$52,727

The Annual Report of the Library Board of Victoria is prepared in accordance with the *Financial Management Act 1994* and the Directions of the Minister for Finance. This index has been prepared to facilitate identification of compliance with statutory disclosure requirements.

Reports produced by consultants

The Library engaged consultants to produce the following reports in 2009-10:

- Building Knowledge for Library Advocacy: Technical Report
- Student population research.

Disclosure Index

Legislation	Requirement	Page	Financial statements	
	Ministerial Directions		Financial statements required under Part 7 of the FMA	
	Report of operations		SD 4.2(c) Compliance with Australian Accounting Standards and other authoritative pronouncements	55
	Charter and purpose		SD 4.2(c) Compliance with Ministerial Directions	47
FRD 22B	Manner of establishment and relevant Minister	29	SD 4.2(d) Rounding of amounts	61
FRD 22B	Objectives, functions, powers and duties	29	SD 4.2(c) Accountable officer's declaration	51
FRD 22B	Nature and range of services provided	29	SD 4.2(f) Model financial report	54
	Management and structure		SD 4.2(b) Statement of financial performance	55
FRD 22B	Organisational structure	37	SD 4.2(b) Statement of financial position	54
	Financial and other information		SD 4.2(b) Statement of cash flows during the year	57
FRD 22	Statement of workforce data and merit and equity	41	Other disclosures in notes to the financial statements	
FRD 22	Summary of financial results for the year	20	FRD 9 Departmental disclosure of administered assets and liabilities	54
FRD 22	Significant changes in financial position during the year	20	FRD 11 Disclosure of ex-gratia payments	39
FRD 22	Operational and budgetary objectives and performance against objectives	21	FRD 13 Disclosure of parliamentary appropriations	55
FRD 22	Major changes or factors affecting performance	20	FRD 21 Responsible person and executive officer disclosures	83
FRD 22	Subsequent events	20	FRD 23 Superannuation liabilities and disclosure	82
FRD 22	Application and operation of <i>Freedom of Information Act 1982</i>	44	Legislation	
FRD 22	Compliance with building and maintenance provisions of <i>Building Act 1993</i>	39	<i>Freedom of Information Act 1982</i>	44
FRD 22	Statement on National Competition Policy	39	<i>Building Act 1993</i>	39
FRD 22	Application and operation of <i>Whistleblowers Protection Act 2001</i>	45	<i>Whistleblowers Protection Act 2001</i>	45
FRD 22	Details of consultancies over \$100,000	46	<i>Disability Act 2006</i>	43
FRD 22	Details of consultancies under \$100,000	46		
FRD 12	Disclosure of major contracts	39		
FRD 22	Statement of availability of other information	45		
FRD 22	Occupational Health and Safety	39		
FRD 15	Executive officer disclosures	38		
FRD 10x	Disclosure index	47		
FRD 24	Reporting of office-based environmental impacts	42		
FRD 25	Victorian Industry Participation Policy disclosures	39		

Auditor General's Report

VAGO

Victorian Auditor-General's Office

INDEPENDENT AUDITOR'S REPORT

To the Members of the Board,

The Financial Report

The accompanying financial report for the year ended 30 June 2010 of the Library Board of Victoria which comprises the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement, a summary of significant accounting policies and other explanatory notes to and forming part of the financial report, and the certification by the president, deputy president, chief executive officer and chief finance officer has been audited.

The Members of the Board's Responsibility for the Financial Report

The Members of the Board are responsible for the preparation and the fair presentation of the financial report in accordance with Australian Accounting Standards (including Australian Accounting Interpretations) and the financial reporting requirements of the *Financial Management Act 1994*. This responsibility includes:

- establishing and maintaining internal controls relevant to the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error
- selecting and applying appropriate accounting policies
- making accounting estimates that are reasonable in the circumstances.

Auditor's Responsibility

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit, which has been conducted in accordance with Australian Auditing Standards. These Standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance whether the financial report is free from material misstatement.

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

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

1

Level 24, 35 Collins Street, Melbourne Vic. 3000
Telephone 61 3 8601 7000 Facsimile 61 3 8601 7010 Email comments@audit.vic.gov.au Website www.audit.vic.gov.au

Auditing in the Public Interest

VAGO

Victorian Auditor-General's Office

Independent Auditor's Report (continued)

Matters Relating to the Electronic Presentation of the Audited Financial Report

This auditor's report relates to the financial report published in both the annual report and on the website of the Library Board of Victoria for the year ended 30 June 2010. The Members of the Board are responsible for the integrity of the website. I have not been engaged to report on the integrity of the website. The auditor's report refers only to the statements named above. An opinion is not provided on any other information which may have been hyperlinked to or from these statements. If users of this report are concerned with the inherent risks arising from electronic data communications, they are advised to refer to the hard copy of the audited financial report to confirm the information included in the audited financial report presented on the Library Board of Victoria's website.

Independence

The Auditor-General's independence is established by the *Constitution Act 1975*. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. In conducting the audit, the Auditor-General, his staff and delegates complied with all applicable independence requirements of the Australian accounting profession.

Auditor's Opinion

In my opinion, the financial report presents fairly, in all material respects, the financial position of the Library Board of Victoria as at 30 June 2010 and their financial performance and cash flows for the year then ended in accordance with applicable Australian Accounting Standards (including the Australian Accounting Interpretations), and the financial reporting requirements of the *Financial Management Act 1994*.

MELBOURNE
25 August 2010


D D R Pearson
Auditor-General

Risk Attestation

Library Board of Victoria

State Library of Victoria
328 Swanston Street
Melbourne Victoria 3000
Australia
Telephone +613 8664 7505
Facsimile +613 9639 4737

I, the Honourable John Cain, certify that the State Library of Victoria has risk management processes in place consistent with the *Australian/New Zealand Risk Management Standard* and an internal control system is in place that enables the executive to understand, manage and satisfactorily control risk exposures. The Audit Committee verifies this assurance and that the risk profile of the State Library of Victoria has been critically reviewed within the last 12 months.


The Honourable John Cain
President
2 June 2010



Library Board of Victoria letter

Library Board of Victoria

State Library of Victoria
328 Swanston Street
Melbourne Victoria 3000
Australia
Telephone +613 8664 7505
Facsimile +613 9639 4737

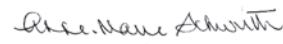
We certify that the attached financial statements for the Library Board of Victoria have been prepared in accordance with Standing Direction 4.2 of the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting Standards and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the Balance Sheet, Operating Statement, Statement of Changes in Equity, Cash Flow Statement and notes to and forming part of the financial statements, present fairly the financial transactions during the year ended 30 June 2010 and financial position of the Library Board of Victoria at 30 June 2010.

We are not aware of any circumstances which would render any particulars included in the statements to be misleading or inaccurate.


Hon John Cain
President
Date 11/8/2010


Kevin Quigley
Deputy President and Chair, Audit Committee
Date 11/08/2010


Anne-Marie Schwirtlich
CEO and State Librarian
Date 11 August 2010


Anthony L Haeusler
Chief Financial Officer
Date 11/8/2010



Library Board of Victoria and Controlled Entity Financial Report for the Financial Year Ended 30 June 2010

Balance Sheet as at 30 June 2010

		Consolidated		State Library of Victoria	
	Note	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Financial assets					
Cash and cash equivalents	2	12,817	22,749	10,441	21,619
Receivables	3	987	1,889	3,066	2,942
Financial assets classified as available for sale	4	13,027	11,535	–	–
Total financial assets		26,831	36,173	13,507	24,561
Non-financial assets					
Inventories		20	24	20	24
Property, plant and equipment	6	442,646	441,951	442,646	441,951
Library collections	7	337,240	336,101	337,240	336,101
Prepayments and accrued interest	5	577	789	577	789
Deferred expenditure	8	1	1	1	1
Total non-financial assets		780,484	778,866	780,484	778,866
Total assets		807,315	815,039	793,991	803,427
Liabilities					
Payables	9	2,869	5,524	2,769	5,474
Interest-bearing liabilities	10	149	72	149	72
Provisions	11	6,570	5,848	6,570	5,848
Total liabilities		9,588	11,444	9,488	11,394
Net assets		797,727	803,595	784,503	792,033
Equity					
Contributed capital	12(a)	557,514	557,514	557,514	557,514
Accumulated surplus	12(b)	11,179	18,212	11,179	18,212
Asset revaluation reserve	12(c)	203,000	203,000	203,000	203,000
General reserve	12(d)	1,000	1,000	1,000	1,000
Donations and bequests reserve	12(e),13	12,983	12,409	1,839	1,830
Specific purpose grants reserve	12(f),14	11,418	11,460	9,971	10,477
Financial assets valuation reserve	12(g)	633	–	–	–
Total equity		797,727	803,595	784,503	792,033

The above Balance Sheet should be read in conjunction with the accompanying notes.

Comprehensive Operating Statement for the Financial Year Ended 30 June 2010

		Consolidated		State Library of Victoria	
	Note	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Income from transactions					
Grant from Government – current nature	15	34,689	34,474	34,689	34,474
Trading	16	2,791	3,170	2,756	3,162
Externally funded projects	17	6,104	7,435	6,065	7,435
Donations and bequests	18	2,740	2,196	2,339	2,821
Investment revenue	19(a)	1,659	1,891	844	1,042
Total income from transactions		47,983	49,166	46,693	48,934
Expenses from transactions					
Salaries and related expenses	20	28,099	27,098	27,838	26,859
Buildings and facilities	21	8,405	5,588	8,405	5,588
Bad and doubtful debts	1(f)	(1)	4	(1)	4
Depreciation	1(j)	8,139	8,046	8,139	8,046
Professional and finance	22	2,522	1,735	2,457	1,681
Borrowing costs	23	6	6	6	6
Grants distributed	24	188	1,391	188	1,391
Other expenses from ordinary activities	25	10,326	9,821	10,180	9,689
Total expenses from transactions		57,684	53,689	57,212	53,264
Net result from transactions (net operating result)		(9,701)	(4,523)	(10,519)	(4,330)
Other economic flows included in net result					
Net gain / (loss) on financial instruments	32(a) 19(b)	211	(1,823)	–	–
Net gain / (loss) on non-financial assets	32(b)	6	(6)	6	(6)
Grant from Government – capital asset charge	32(c)	41,403	41,403	41,403	41,403
Government capital asset charge	32(c)	(41,403)	(41,403)	(41,403)	(41,403)
Grant from Government – capital funding	17, 32(d)	3,047	7,556	3,047	7,556
Other gains / (losses) from other economic flows	32(e)	(64)	(111)	(64)	(111)
Total other economic flows included in net result		3,200	5,616	2,989	7,439
Net result for the year		(6,501)	1,093	(7,530)	3,109
Other economic flows - other non-owner changes in equity					
Change in Asset Revaluation Reserve	12(c)	–	4,850	–	4,850
Change in Financial Asset Valuation Reserve	12(g)	633	117	–	–
Total other economic flows - other non-owner changes in equity		633	4,967	–	4,850
Comprehensive result for the year		(5,868)	6,060	(7,530)	7,959

The above Comprehensive Operating Statement should be read in conjunction with the accompanying notes.

Statement of Changes in Equity for the Financial Year Ended 30 June 2010

		Equity at 1 July 2009	Total comprehensive result	Transactions with owners in their capacity as owners	Consolidated Equity at 30 June 2010
	Note	\$'000	\$'000	\$'000	\$'000
Contributed capital	12(a)	557,514	–	–	557,514
Accumulated surplus		18,212	(6,501)	–	11,711
Transfer from donations and bequests reserve		–	–	(574)	(574)
Transfer to specific purpose grants reserve		–	–	42	42
	12(b)	18,212	(6,501)	(532)	11,179
Asset revaluation reserve	12(c)	203,000	–	–	203,000
General reserve	12(d)	1,000	–	–	1,000
Donations and bequests reserve		12,409	–	–	12,409
Transfer to accumulated surplus		–	–	574	574
	12(e)	12,409	–	574	12,983
Specific purpose grants reserve		11,460	–	–	11,460
Transfer from accumulated surplus		–	–	(42)	(42)
	12(f)	11,460	–	(42)	11,418
Financial assets valuation reserve	12(g)	–	633	–	633
Total equity at end of the financial year		803,595	(5,868)	–	797,727

		Equity at 1 July 2008	Total comprehensive result	Transactions with owners in their capacity as owners	Equity at 30 June 2009
Contributed capital		552,728	–	–	552,728
Capital appropriations		–	–	4,786	4,786
	12(a)	552,728	–	4,786	557,514
Accumulated surplus		16,272	1,093	–	17,365
Transfer from donations and bequests reserve		–	–	1,982	1,982
Transfer to specific purpose grants reserve		–	–	(1,135)	(1,135)
	12(b)	16,272	1,093	847	18,212
Asset revaluation reserve	12(c)	198,150	4,850	–	203,000
General reserve	12(d)	1,000	–	–	1,000
Donations and bequests reserve		14,391	–	–	14,391
Transfer to accumulated surplus		–	–	(1,982)	(1,982)
	12(e)	14,391	–	(1,982)	12,409
Specific purpose grants reserve		10,325	–	–	10,325
Transfer from accumulated surplus		–	–	1,135	1,135
	12(f)	10,325	–	1,135	11,460
Financial assets valuation reserve	12(g)	(117)	117	–	–
Total equity at end of the financial year		792,749	6,060	4,786	803,595

The above Statement of Changes in Equity should be read in conjunction with the accompanying notes.

Cash Flow Statement for the Financial Year Ended 30 June 2010

		Consolidated		State Library of Victoria	
	Note	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Cash flows from operating activities					
Grants from Government – current nature		34,689	34,474	34,689	34,474
Donations (other than in kind) and bequests		848	966	397	1,535
Trading receipts		3,962	3,897	3,917	3,897
Other grants		6,389	9,893	9,368	9,893
Asset replacement grants		3,047	10,583	3,047	10,583
Dividends and interest		1,850	1,701	1,017	930
GST recovered from the ATO		2,214	1,531	2,221	1,533
Payments to suppliers and employees		(54,583)	(49,813)	(54,529)	(50,519)
Net cash flows provided from operating activities	29(b)	(1,584)	13,232	(2,873)	12,326
Cash flows from investing activities					
Proceeds from / (payments for) investments		(2)	(400)	–	–
Proceeds from sale of property, plant & equipment		6	2	6	2
Payment for property, plant & equipment		(6,243)	(1,800)	(6,243)	(1,800)
Payment for Library collection		(2,062)	(2,295)	(2,062)	(2,295)
Net cash used in investing activities		(8,301)	(4,493)	(8,299)	(4,093)
Cash flows from financing activities					
Repayment of finance lease		(6)	(6)	(6)	(6)
Net cash used in financing activities		(6)	(6)	(6)	(6)
Net increase / (decrease) in cash held		(9,891)	8,733	(11,178)	8,227
Cash and cash equivalents at beginning of the year		27,564	18,831	21,619	13,392
Cash and cash equivalents at end of the year	29(a)	17,673	27,564	10,441	21,619

The above Cash Flow Statement should be read in conjunction with the accompanying notes.

Notes to the Financial Statements for the Year Ended 30 June 2010

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1 Summary of Significant Accounting Policies

(a) Basis of preparation of accounts

The financial report is a general purpose financial report which has been prepared on an accrual basis in accordance with the *Financial Management Act 1994*, applicable Australian Accounting Standards (AAS), which includes the Australian accounting standards issued by the *Australian Accounting Standards Board* (AASB), Interpretations and other mandatory professional requirements.

The Financial Report was authorised for issue by A L Haeusler, Chief Financial Officer, State Library of Victoria, on 11 August 2010.

The financial report has been prepared on the basis of historical cost, except for the revaluation of certain non-financial assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets.

In the application of AAS's management is required to make judgments, estimates and assumptions about carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstance, the results of which form the basis of making the judgments. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Accounting policies are selected and applied in a manner which ensures that the resulting financial information satisfies the concepts of relevance and reliability, thereby ensuring that the substance of the underlying transactions or other events is reported.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2010 and the comparative information presented for the year ended 30 June 2009.

(b) Scope and presentation of financial statements

Comprehensive operating statement
Income and expenses in the comprehensive operating statement are classified according to whether or not they arise from 'transactions' or 'other economic flows'. This classification is consistent with the whole of government reporting format that is allowed under AASB 101 *Presentation of financial statements*.

Balance sheet

Items of assets and liabilities in the balance sheet are:

- aggregated into financial and non-financial assets; and
- current and non-current assets and liabilities are disclosed in the notes, where relevant.

Statement of changes in equity

The statement of changes in equity presents reconciliations of each non-owner and owner equity opening balance at the beginning of the year to the closing balance at the end of the year. It also shows separately changes due to amounts recognised in the comprehensive result and amounts recognised in other comprehensive income related to other non-owner changes in equity.

Cash flow statement

Cash flows are classified according to whether or not they arise from operating activities, investing activities or financing activities. This classification is consistent with requirements under AASB 107 *Statement of cash flows*.

(c) Contribution by owners

Additions to net assets which have been designated as contributions by owners are recognised as contributed capital. Other transfers that are in the nature of contributions or distributions have also been designated as contributions by owners. Transfers of net assets arising from administrative restructurings are treated as distributions to or contributions by owners.

(d) Capital asset charge

The capital asset charge represents the opportunity cost of capital invested in the non-current physical assets used in the provision of outputs. The charge is calculated on the budgeted carrying amount of non-current physical assets. In accordance with Government policy, this charge has been recognised as another economic flow within the financial statements.

(e) Principles of consolidation

The assets, liabilities, revenues and expenses of the State Library of Victoria Foundation have been included at the values shown in the audited Annual Financial Statements. Any inter-entity transactions have been eliminated on consolidation. The consolidated entity comprises the Library Board of Victoria, trading as the State Library of Victoria and the State Library of Victoria Foundation. The Library Board of Victoria is the trustee for the State Library of Victoria Foundation.

(f) Receivables

Receivables consist predominantly of debtors in relation to goods and services, accrued investment income and GST input tax credits recoverable. Receivables are recognised initially at fair value and subsequently measured at amortised cost, using the effective interest rate method, less any accumulated impairment. A provision for doubtful receivables is made when there is objective evidence that the debts will not be collected. Bad debts are written off when identified.

(g) Deferred expenditure

The value of deferred expenditure represents the remaining value of the CAVAL Archival and Research Materials (CARM) Centre after the Library write down in 2004–05.

(h) Financial assets

Investments are recognised and derecognised on trade date where purchase or sale of the instrument is under a contract whose terms require delivery of the instrument within the timeframe established by the manager concerned, and are initially measured at fair value, net of transaction costs. State Library of Victoria investments are fixed capital investments such as government bonds, bank deposits or bank bills. The State Library of Victoria

Foundation investments include listed equities on the Australian Stock Exchange, market linked cash, fixed interest, property funds and cash management fund.

Investments classified as available-for-sale are stated at fair value, with any resultant gain or loss recognised in the financial assets valuation reserve. Any impairment loss is recognised in the profit and loss account.

(i) Property, plant and equipment and Library Collection

Land and buildings are measured at fair value and under FRD103D these assets were revalued in June 2009. Plant and equipment and vehicles are measured at cost less accumulated depreciation and impairment. Library collection is measured at fair value less accumulated depreciation. Collection assets were last revalued in June 2007.

(j) Depreciation of property, plant and equipment and Library Collection

Unless otherwise stated, depreciation has been charged on non-current assets (except land and heritage collections) at rates assessed to match the cost of the assets against their estimated economic lives to the Library. Depreciation is calculated using the straight-line method. Depreciation on buildings is charged, on a straight line basis, at a rate of 1 per cent per annum. Depreciation rates for equipment range from 10 to 33 per cent per annum. There has been no change in depreciation rates from the prior year.

With effect from 1 July 2003 the Library Board of Victoria differentiated Library collection material as heritage and non heritage. Useful lives for non heritage collection material were determined based on an assessment of use and currency profiles. Useful lives applied for 2009–10 financial year are:

- 5 years for material acquired for the Trescowthick Information Centre
- 10 years for material acquired for the Redmond Barry Reading Room
- 50 years for material acquired for the Main Stacks

(k) Payables

Payables consist predominantly of creditors and accrued expenses. Payables are carried at amortised cost and represent liabilities for goods and services provided to the State Library of Victoria prior to the end of financial year that are unpaid, and arise when the State Library of Victoria becomes obligated to make future payments in respect of the purchase of these goods and services.

(l) Employee benefits

All annual leave and unconditional vested LSL representing seven or more years of continuous service is disclosed in accordance with AASB101, as a current liability even where the agency does not expect to settle the liability within 12 months as it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

LSL representing less than seven years of continuous service is disclosed in accordance with AASB101 as a non-current liability; and measured at present value under AASB119 as the entity does not expect to settle this non-current liability within 12 months. This LSL non-current liability is measured at present value. Gain or loss following revaluation of the present value of non-current LSL liability due to changes in bond interest rates is recognised as an other economic flow (refer Note 1(v)).

Employee benefits on-costs are recognised separately from the provision for employee benefits (refer Note 11).

The Board makes contributions to the State Superannuation Board's Revised and New Schemes, the VicSuper scheme and other private schemes for eligible employees and such expenditure is shown as an operating expense in the Financial Statements (refer Note 31).

(m) Specific purpose grants reserve

This represents grants received by the Library for specific projects with the proceeds brought to account as revenue upon receipt. The balance of unexpended grants is transferred to the specific purpose grants reserve on an annual basis. Subsequent expenditure is recorded as an expense in the Operating Statement and results in a transfer from the reserve.

(n) General reserve

In 2002 the Library Board created the General Reserve to provide for unavoidable future expenditures that cannot be met from funding.

(o) Revenue recognition

Donations and bequests for specific purposes have been brought to account as revenue upon receipt. The balance of unexpended donations is transferred to the donations and bequests reserve on an annual basis. Subsequent expenditure is recorded as an expense in the Operating Statement and results in a transfer from the reserve.

Revenue from the sale of goods and services is recognised upon delivery of the goods and services to the customer. Internet Service Provider (ISP) fees invoiced to customers by Vicnet are recognised as a prepayment as invoiced and brought to account progressively over the period of each contract.

Grants from Government and other externally funded projects are brought to account as revenue on receipt or as and when invoiced.

Interest revenue is recognised when due and dividend revenue is recognised when the entitlement to receive payment is established. Franking credits are recognised at the same time as the underlying dividend.

Bequests and donations revenue includes donations in kind. The in-kind contributions are goods and services provided to the Library Board of Victoria at no cost. An amount equivalent to the arms-length value of both the goods and services received and the operational or capital expenses have been included in the financial statements. Where the donation is an item or items to be added to the Library collections, the valuation has been performed by Library staff except where the donation has been externally valued under the Cultural Gifts program.

Foundation donations, bequests, sponsorships and memberships are recognised on receipt.

1. Summary of significant accounting policies (cont'd)

(p) Revaluation of non-current assets

The revaluation process occurs every five years. Both land and buildings were valued in the 2008–09 year. Revaluation increments are credited directly to the asset revaluation reserve, except that to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense in net result, the increment is recognised immediately as revenue in the net result.

Revaluation decrements are recognised immediately as expenses in net result, except that, to the extent that a credit balance exists in the asset revaluation reserve in respect of the same class of assets, they are debited directly to the asset revaluation reserve.

Revaluation increments and decrements are offset against one another within a class of non-current assets.

(q) New and revised accounting standards and interpretations

The Library Board of Victoria has adopted all of the new and revised Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for annual reporting periods beginning on 1 July 2009.

As a result of a statewide policy to improve consistency in public sector reporting, the Library Board of Victoria has revised the presentation of its complete set of financial statements to align with AASB 1049 presentation format, used in the financial report for the State and the general government sector.

The Board members have given due consideration to new and revised standards and interpretations issued by the AASB that are not yet effective and do not believe they will have any material financial impact on the financial statements.

(r) Cash and cash equivalents

Cash and cash equivalents comprise cash on hand, cash at call, cash at bank and Australian dollar term deposits. For the purposes of the cash flow statement, cash comprises cash on hand, cash at call, cash at bank, Australian dollar term deposits, Australian dollar fixed interest securities and other highly liquid investments which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

(s) Functional and presentation currency

The functional and presentation currency of the Library Board of Victoria is the Australian dollar.

(t) Rounding of amounts

Amounts in the financial report have been rounded to the nearest thousand dollars, unless otherwise stated.

(u) Goods and services tax

Income, expenses and assets are recognised net of the amount of associated GST. Receivables and payables are stated inclusive of the amount of GST receivable or payable. The net amount of GST recoverable from, or payable to the ATO, is included with other receivables or payables in the balance sheet.

Cash flows are presented on a gross basis. The GST components of cash flows arising from investing or financing activities which are recoverable from, or payable to the ATO, are presented as operating cash flow.

(v) Financial assets valuation reserve

Unrealised capital gains on assets classified as available-for-sale are recognised in the financial assets valuation reserve.

(w) Other economic flows included in net result

Other economic flows measure the change in volume or value of assets or liabilities that do not result from operating transactions.

Net gain / (loss) on non-financial assets

Net gain / (loss) on non-financial assets and liabilities includes realised and unrealised gains and losses from revaluations, impairments, and disposals of all physical assets and intangible assets.

Disposal of non-financial assets

Any gain or loss on the sale of non-financial assets is recognised at the date that control of the asset is passed to the buyer and is determined after deducting from the proceeds the carrying value of the asset at that time.

Net gain / (loss) on financial instruments

Net gain / (loss) on financial instruments includes realised and unrealised gains and losses from revaluations of financial instruments that are designated at fair value through profit or loss or available-for-sale, impairment and reversal of impairment for financial instruments at amortised cost, and disposals of financial assets.

Revaluations of financial instruments at fair value

The revaluation gain / (loss) on financial instruments at fair value excludes dividends or interest earned on financial assets, which is reported as part of income from transactions.

Impairment of financial assets

Bad and doubtful debts are assessed on a regular basis. Those bad debts considered as written off are classified as a transaction expense. Where the fair value of available-for-sale financial instruments is below cost those assets are impaired and the write down is shown as an other economic flow.

Other gains / (losses) from other economic flows

Other gains / (losses) from other economic flows include the gains or losses from reclassifications of amounts from reserves and/or accumulated surplus to net result, and from the revaluation of the present value of the long service leave liability due to changes in the bond interest rates.

Capital asset charge

In accordance with instructions from the Department of Premier and Cabinet, the capital asset charge revenue and expense are both recognised as other economic flows.

Capital funding

Capital funding as advised by Arts Victoria is shown as an other economic flow separate to operating transactions.

(x) Grants distributed

Grants distributed are predominantly payments made to project partners by Vicnet as part of the following externally funded programs: *My Connected Community* (MC2), *Public Internet Access Program* (PIAP) and *Internet Training for People with a Disability*. Grants distributed also include payments to Public Libraries by Vicnet. Where a program is completed with a surplus this will be returned to the original funding body if requested; these payments are shown as grants distributed.

(y) Leases

A lease is a right to use an asset for an agreed period of time in exchange for payment.

Leases are classified at their inception as either operating or finance leases based on the economic substance of the agreement so as to reflect the risks and rewards incidental to ownership. Leases of property, plant and equipment are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership from the lessor to the lessee. All other leases are classified as operating leases.

Finance leases

At the commencement of the lease term, finance leases are initially recognised as assets and liabilities at amounts equal to the fair value of the lease property or, if lower, the present value of the minimum lease payment, each determined at the inception of the lease. The lease asset is depreciated over the shorter of the estimated useful life of the asset or the term of the lease. Minimum finance lease payments are apportioned between reduction of the outstanding lease liability and periodic finance expense which is calculated using the interest rate implicit in the lease and charged directly to the comprehensive operating statement.

Operating leases

Operating lease payments, including any contingent rentals, are recognised as an expense in the comprehensive operating statement on a straight-line basis over the lease term, except where another systematic basis is more representative of the time pattern of the benefits derived from the use of the leased asset. The leased asset is not recognised in the balance sheet.

(z) Commitments

Commitments are disclosed at their nominal value, inclusive of GST payable.

		Consolidated		State Library of Victoria	
	Note	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
2	Cash and cash equivalents				
	Cash on hand	6	6	6	6
	Australian dollar term deposits	12,291	18,112	10,000	17,000
	Cash at bank	520	4,631	435	4,613
	Total cash and cash equivalents	12,817	22,749	10,441	21,619
3	Receivables				
	Debtors – external	912	1,798	913	1,798
	State Library of Victoria Foundation	–	–	2,153	1,147
	Franking credits receivable	75	94	–	–
	Less: Provision for doubtful debts 1 (f)	–	(3)	–	(3)
	Total receivables	987	1,889	3,066	2,942
4	Financial assets classified as available for sale				
	State Library of Victoria Foundation				
	Available for sale financial assets				
	Cash management (at fair value)	449	305	–	–
	Fixed-interest securities (at fair value)	4,407	4,510	–	–
	Equities	4,856	4,815	–	–
	Australian listed equity securities	8,171	6,720	–	–
	Total other financial assets	13,027	11,535	–	–
5	Other current assets				
	Prepayments	532	572	532	572
	Accrued interest	45	217	45	217
	Total other current assets	577	789	577	789
6	Property, plant and equipment				
	Land – fair value (2009 valuation)	38,500	38,500	38,500	38,500
		38,500	38,500	38,500	38,500
	Buildings – fair value (2009 valuation)	383,000	383,000	383,000	383,000
	Buildings at cost	19,971	6,426	19,971	6,426
		402,971	389,426	402,971	389,426
	Less accumulated depreciation (valuation) 1 (i)	(3,830)	–	(3,830)	–
	Less accumulated depreciation (cost)	(377)	(193)	(377)	(193)
		(4,207)	(193)	(4,207)	(193)
		398,764	389,233	398,764	389,233
	Equipment at fair value	17,018	16,754	17,018	16,754
	Less accumulated depreciation 1 (i)	(11,843)	(10,218)	(11,843)	(10,218)
		5,175	6,536	5,175	6,536
	Equipment under lease at fair value	159	122	159	122
	Less accumulated depreciation 1 (i)	(11)	(51)	(11)	(51)
		148	71	148	71
	Work in progress at cost				
	• Buildings	–	7,611	–	7,611
	• Plant and equipment	59	–	59	–
		59	7,611	59	7,611
	Total property, plant and equipment	442,646	441,951	442,646	441,951

Freehold land and buildings carried at fair value

An independent valuation of the Board's land and buildings was performed by the Australian Valuation Office to determine the fair value of the land and buildings. The valuation, which conforms to Australian Valuation Standards, was determined by reference to the amounts for which assets could be exchanged between knowledgeable willing parties in an arm's length transaction. The valuation was based on independent assessments. The effective date of the valuation is 30 June 2009.

Property, Plant & Equipment (cont'd)		Land	Buildings	Plant & Equipment	Assets under Finance Lease	Work in Progress	Total	
		\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	
6	Movement of property, plant & equipment Consolidated 2010							
	Opening balance	38,500	389,234	6,536	71	7,611	441,951	
	Additions	–	13,545	278	159	6,071	20,053	
	Disposals	–	–	–	(60)	(13,623)	(13,682)	
	Transfers	–	–	–	–	–	–	
	Net revaluation increment / (decrement)	–	–	–	–	–	–	
	Depreciation	–	(4,015)	(1,639)	(22)	–	(5,676)	
	Closing balance	38,500	398,764	5,175	148	59	442,646	
	State Library of Victoria 2010							
	Opening balance	38,500	389,234	6,536	71	7,611	441,951	
	Additions	–	13,545	278	159	6,071	20,053	
	Disposals	–	–	–	(60)	(13,623)	(13,682)	
	Transfers	–	–	–	–	–	–	
	Net revaluation increment / (decrement)	–	–	–	–	–	–	
	Depreciation	–	(4,015)	(1,639)	(22)	–	(5,676)	
	Closing balance	38,500	398,764	5,175	148	59	442,646	
	Consolidated 2009							
	Opening balance	44,200	382,567	8,076	92	1,151	436,086	
	Additions	–	–	231	–	6,493	6,724	
	Disposals	–	–	(8)	–	–	(8)	
	Transfers	–	–	33	–	(33)	–	
	Net revaluation increment / (decrement)	(5,700)	10,550	–	–	–	4,850	
	Depreciation	–	(3,884)	(1,796)	(21)	–	(5,701)	
	Closing balance	38,500	389,233	6,536	71	7,611	441,951	
	State Library of Victoria 2009							
	Opening balance	44,200	382,567	8,076	92	1,151	436,086	
	Additions	–	–	231	–	6,493	6,724	
	Disposals	–	–	(8)	–	–	(8)	
	Transfers	–	–	33	–	(33)	–	
	Net revaluation increment / (decrement)	(5,700)	10,550	–	–	–	4,850	
	Depreciation	–	(3,884)	(1,796)	(21)	–	(5,701)	
	Closing balance	38,500	389,233	6,536	71	7,611	441,951	
					Consolidated		State Library of Victoria	
				Note	2010	2009	2010	2009
					\$'000	\$'000	\$'000	\$'000
7	Library Collections							
	At cost – Heritage collection				2,914	2,018	2,914	2,018
	At cost – Non-heritage collection			1(j)	3,627	2,521	3,627	2,521
	Heritage at fair value (2007 valuation)			1(i)	215,753	215,753	215,753	215,753
	Non-heritage at fair value (2007 valuation)			1(j)	117,258	117,258	117,258	117,258
	Less: accumulated depreciation				(7,155)	(4,690)	(7,155)	(4,690)
	Collection donations at fair value				4,843	3,241	4,843	3,241
	Total Library Collections				337,240	336,101	337,240	336,101
	Reconciliation							
	Carrying amount at start of year				336,101	334,847	336,101	334,847
	Post revaluation additions – purchases				2,001	2,157	2,001	2,157
	Post revaluation additions – donated				1,602	1,442	1,602	1,442
	Net value of revaluation increment / (decrement)				–	–	–	–
	Depreciation – Non-heritage collection				(2,464)	(2,345)	(2,464)	(2,345)
	Carrying amount at end of year				337,240	336,101	337,240	336,101

		Consolidated		State Library of Victoria	
	Note	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
8	Deferred expenditure				
	CARM Centre, Bundoora	1,000	1,000	1,000	1,000
	Less: Accumulated amortisation	(999)	(999)	(999)	(999)
	Total deferred expenditure	1	1	1	1
9	Payables				
	Creditors – external	952	3,896	952	3,896
	Accrued expenses	1,738	1,492	1,738	1,492
	Prepaid revenue	179	136	79	86
	Total payables	2,869	5,524	2,769	5,474
10	Interest-bearing liabilities (Motor vehicles)				
	Finance lease – current	47	72	47	72
	Finance lease – non-current	102	–	102	–
	Total interest-bearing liabilities	149	72	149	72
11	Provisions				
	Current provisions				
	Employee benefits	11(a)			
	Annual leave entitlements	1,754	1,506	1,754	1,506
	Long-service leave entitlements				
	• Unconditional and expected to be settled within 12 months	511	513	511	513
	• Unconditional and expected to be settled after 12 months	2,936	2,583	2,936	2,583
		5,201	4,602	5,201	4,602
	Provisions related to benefit on-costs:				
	• Unconditional and expected to be settled within 12 months	212	235	212	235
	• Unconditional and expected to be settled after 12 months	553	508	553	508
		765	743	765	743
	Total current provisions	5,966	5,345	5,966	5,345
	Non-current provisions				
	Employee benefits	523	436	523	436
	Provisions related to benefit on-costs	81	67	81	67
	Total non-current provisions	604	503	604	503
	Total provisions	6,570	5,848	6,570	5,848
(a)	Employee benefits and related on-costs				
	Current employee benefits				
	Annual leave entitlements	1,754	1,506	1,754	1,506
	Unconditional long-service entitlements	3,447	3,096	3,447	3,096
	Non-current employee benefits				
	Conditional long-service entitlements	523	436	523	436
	Total employee benefits	5,724	5,038	5,724	5,038
	Current on-costs	765	743	765	743
	Non-current on-costs	81	67	81	67
	Total on-costs	846	810	846	810
	Total employee benefits and related on-costs	6,570	5,848	6,570	5,848

		Consolidated		State Library of Victoria	
		2010	2009	2010	2009
		\$'000	\$'000	\$'000	\$'000
12	Equity and movements in equity				
(a)	Contributed capital				
	Balance at beginning of the year	557,514	552,728	557,514	552,728
	Equity contribution from government	–	4,786	–	4,786
	Balance at end of the year	557,514	557,514	557,514	557,514
(b)	Accumulated surplus				
	Accumulated surplus at beginning of the year	18,212	16,272	18,212	16,272
	Net result for the year	(6,501)	1,093	(7,530)	3,109
	Net transfer (to) / from donations and bequests reserve	(574)	1,982	(9)	(134)
	Net transfer (to) / from specific purpose grants reserve	42	(1,135)	506	(1,035)
	Accumulated surplus at end of the year	11,179	18,212	11,179	18,212
(c)	Asset revaluation reserve				
	Land and buildings asset revaluation reserve				
	Balance at beginning of the year	43,741	38,891	43,741	38,891
	Movement	–	4,850	–	4,850
	Balance at end of the year	43,741	43,741	43,741	43,741
	The revaluation reserve arises on the revaluation of land and buildings				
	Collection asset revaluation reserve				
	Balance at beginning of the year	159,259	159,259	159,259	159,259
	Movement	–	–	–	–
	Balance at end of the year	159,259	159,259	159,259	159,259
	The revaluation reserve arises on the revaluation of the collection				
	Total of the asset revaluation reserve				
	Balance at beginning of the year	203,000	198,150	203,000	198,150
	Movement	–	4,850	–	4,850
	Balance at end of the year	203,000	203,000	203,000	203,000
(d)	General reserve				
	Balance at beginning of the year	1,000	1,000	1,000	1,000
	Transfer (to) / from accumulated surplus	–	–	–	–
	Balance at end of the year	1,000	1,000	1,000	1,000
(e)	Donations and bequests reserve				
	Balance at beginning of the year	12,409	14,391	1,830	1,696
	Transfer (to) / from accumulated surplus	574	(1,982)	9	134
	Balance at end of the year (Note 13)	12,983	12,409	1,839	1,830
(f)	Specific purpose grants reserve				
	Balance at beginning of the year	11,460	10,325	10,477	9,442
	Transfer (to) / from accumulated surplus	(42)	1,135	(506)	1,035
	Balance at end of the year (Note 14)	11,418	11,460	9,971	10,477
(g)	Financial assets valuation reserve				
	Balance at beginning of the year	–	(117)	–	–
	Unrealised capital gains	633	–	–	–
	Transfer to profit and loss account	–	117	–	–
	Balance at end of the year	633	–	–	–
	Total equity at the end of the year	797,727	803,595	784,503	792,033

Consolidated				
	2009 b/fwd balance	2010 Transfer from Accum. Surplus	2010 Transfer to Accum. Surplus	2010 c/fwd balance
	\$'000	\$'000	\$'000	\$'000
13 Donations and Bequests Reserve				
State Library of Victoria				
C Sunderberg Estate	136	5	–	141
Constance Thomson Estate	8	–	–	8
Ethel Cutten Estate	195	7	46	156
Frederick Bryan Bequest	30	1	–	31
K Wilson Bequest	77	3	–	80
Kurt Offenburg Bequest	9	1	3	7
LM Henderson Estate	202	8	–	210
MV Anderson Estate	4	–	–	4
Margery Ramsay Estate	99	3	–	102
Phillip Joseph Winthrop Bequest	5	–	–	5
Quentin Madden Estate	61	1	62	–
Sir Irving Benson Estate	410	16	–	426
T Buesst Bequest	140	6	–	146
VG Dobbie Bequest	110	5	–	115
VJ Chalmers Estate	180	6	50	136
Shirley Horne Bequest	159	108	–	267
Margery Pierce Bequest	5	–	–	5
	1,830	170	161	1,839
State Library of Victoria Foundation	10,579	1,379	814	11,144
Total Library Board of Victoria	12,409	1,549	975	12,983

14 Specific Purpose Grants Reserve

During the 2009–10 financial year funds were received from external organisations to be applied for specific purposes. This 'Specific Purpose Grants Reserve' is a balance of all grant funds, which remain unexpended as at 30 June 2010. The balance of this reserve account consists of the following grants:

	2009	2010	2010	Consolidated
	b/fwd	Transfer	Transfer	2010
	balance	from Accum.	to Accum.	c/fwd
		Surplus	Surplus	balance
	\$'000	\$'000	\$'000	\$'000
Directorate				
Ann Oldham Aurora Institute Fund	–	5	–	5
ARC Manuscript Project	–	10	5	5
BA Santamaria Fellowship	21	2	23	–
Burke and Wills website	–	115	83	32
Creative Fellowships	–	111	111	–
Exhibition donations	4	1	–	5
Foundation <i>slv21</i> support	90	55	10	135
Gorman Foundation	3	–	–	3
Human resources system enhancements	27	64	–	91
Librarianship in PNG and East Timor	60	–	–	60
Library of the 21st century symposium	13	–	–	13
Medieval and Renaissance manuscripts in Australia	–	10	5	5
National and State Libraries Australasia	617	324	464	477
Exhibitions and Events				
Burke and Wills exhibition	–	4	4	–
Women's Suffrage exhibition	3	–	3	–
<i>Look!</i> exhibition	4	127	84	47
<i>Love and Devotion</i> exhibition	13	80	56	37
<i>The Medieval Imagination</i> exhibition	47	3	50	–
Photography exhibition	–	11	6	5
Premier's Literary Awards	51	266	317	–
Rare Books Summer School	–	25	23	2
Rick Amor exhibition	–	22	15	7
RE Ross Trust Playwrights' Script Development Awards	32	75	65	42
<i>'til you drop</i> exhibition	10	247	190	67
<i>Sport & War</i> exhibition	9	–	9	–
<i>Studio</i> exhibition	8	–	8	–
<i>The Independent Type</i> exhibition	1	69	64	5
<i>The Independent Type</i> – Major Touring Initiative	62	–	33	29
<i>Victorians on Vacation</i> – Major Touring Initiative	3	1	4	–
The Redmond Barry Lecture	–	15	1	14
Exhibitions and Events special projects	15	32	25	22
People and Property				
Centre for Books, Writing and Ideas	27	1,469	1,496	–
Façade work	75	1,832	1,553	354
Queen's Hall maintenance	–	1,000	545	455
Vicnet				
Library infrastructure projects	3,303	1,714	1,560	3,457
Kindergarten IT project	3,096	1,091	3,109	1,078
Public Libraries Unit				
Library network and support	482	1,065	641	906

14 **Specific Purpose Grants Reserve (cont'd)**

	Consolidated			
	2009 b/fwd balance	2010 Transfer from Accum. Surplus	2010 Transfer to Accum. Surplus	2010 c/fwd balance
	\$'000	\$'000	\$'000	\$'000
Collection Management				
Cutten Bequest	–	15	9	6
Foundation External Grants	15	100	73	42
Glass plate negatives	14	–	14	–
Henderson Bequest	2	–	2	–
Holocaust Collection	7	–	1	6
Imaging 19th Century Victoria	22	–	4	18
Library Heritage Digitisation	–	209	108	101
<i>Look!</i> exhibition – conservation	–	60	31	29
Monograph acquisition	2	–	–	2
Newspaper digitisation	160	70	4	226
Offenburg Bequest	–	3	3	–
Pacific Access	4	4	8	–
Sybil Craig Bequest	29	1	–	30
Victorian Map Series – R.E. Ross Trust	38	225	126	137
Victoria 175	–	200	–	200
WG Alma Estate	25	22	14	33
slv21 projects				
slv21 projects	988	1,795	2,783	–
Office of eStrategy				
CBN links	19	86	105	–
Digitising <i>Victoria Government Gazette</i>	40	–	–	40
Learning Services				
Australian Children's Literature Alliance	18	42	52	9
Bookgigs	–	8	8	–
Booktalkers for professionals	35	83	86	32
Booktalkers for teenagers	4	14	12	6
Boys, Books, Blokes & Bytes	12	–	12	–
Buckland Teaching Fellowship	–	2	2	–
CAL Scoping Project	19	–	19	–
Centre for Youth Literature	23	8	31	–
Family learning	–	1	1	–
Get into Reading	–	50	50	–
Frontline Victoria	–	3	3	–
FUSE	–	490	–	490
JT Reid Medieval Program	104	100	68	136
Knowledge Bank: Next Generation	300	53	261	92
Learning spaces	100	–	71	29
Next Practice Program	–	140	–	140
Professional development	–	4	4	–
Reader Development & Library Learning	30	–	30	–
Reader Development Public Library Project	2	25	11	16
Regional programs	14	8	18	4
Student programs	–	48	48	–
The Summer Read	–	72	40	32
Telematics	30	–	27	3
Travelling Treasures	38	20	9	49
VCN Digitisation Project	–	209	141	68
Web project	17	69	14	72
Young Readers Program	154	640	520	274

14 **Specific Purpose Grants Reserve (cont'd)**

	2009 b/fwd balance	2010 Transfer from Accum. Surplus	2010 Transfer to Accum. Surplus	Consolidated 2010 c/fwd balance
	\$'000	\$'000	\$'000	\$'000
Publications				
Children's Literature Book	3	3	6	–
Digitising <i>The La Trobe Journal</i>	2	5	–	7
Library research	–	120	29	91
Library's Map Collection Book	1	–	–	1
<i>Literary Melbourne</i>	11	–	11	–
Marketing campaigns	–	35	–	35
<i>State Library of Victoria News</i>	–	40	39	1
The Matrix	–	15	14	1
<i>The Medieval Imagination</i> – Conference proceedings	19	1	20	–
<i>The Garden of Ideas</i>	4	4	8	–
<i>The World of the Book</i>	–	4	3	1
Young Readers Marketing	–	90	23	67
Access & Information				
Aborigines Advancement League Archives	19	–	3	16
Australian Jewish Historical Society	–	16	–	16
Coles Myer Ltd	32	–	28	4
Disability	1	–	–	1
Foundation Development Fund	6	–	–	6
New Technology	–	10	1	9
Port Phillip Paper digitising	24	99	102	21
The Agnes Robertson Trust – digitise record collection	15	–	1	14
Total State Library of Victoria	10,477	15,424	15,930	9,971
SLV Development Fund (Foundation)	983	814	350	1,447
Total State Library of Victoria Foundation	983	814	350	1,447
Total Library Board of Victoria	11,460	16,238	16,280	11,418
Summary of reserve movements				
Total of donations and bequests reserve	1,830	170	161	1,839
Total of specific purpose grants reserve	10,477	15,424	15,930	9,971
	12,307	15,594	16,091	11,810
State Library of Victoria Foundation				
Total of donations and bequests reserve	10,579	1,379	814	11,144
Total of specific purpose grants reserve	983	814	350	1,447
	11,562	2,193	1,164	12,591
Consolidated				
Total of donations and bequests reserve	12,409	1,549	975	12,983
Total of specific purpose grants reserve	11,460	16,238	16,280	11,418
	23,869	17,787	17,255	24,401

		Consolidated		State Library of Victoria	
		2010	2009	2010	2009
		\$'000	\$'000	\$'000	\$'000
15	Government Funding				
	Government appropriation – current nature	34,689	34,474	34,689	34,474
16	Trading Income				
	Vicnet	1,182	1,803	1,182	1,803
	Other	1,609	1,367	1,574	1,359
	Total trading income	2,791	3,170	2,756	3,162
17	Externally Funded Projects				
	Department of Planning & Community Development (State)				
	Community ICT Skills	500	–	500	–
	Digitising Victorian Military Histories	25	–	25	–
	<i>The La Trobe Journal: Indigenous Victorians</i>	10	–	–	–
	CALD Senior Surfers	–	255	–	255
	Internet Training for People with a Disability	–	460	–	460
	My Connected Community	–	350	–	350
	Public Internet Access Program	–	270	–	270
	<i>Sport & War</i>	–	2	–	2
	Department of Premier and Cabinet (State)				
	Victoria 175	200	–	200	–
	Project P1	12	–	12	–
	Project P2	3	29	3	29
	We Will Rebuild – 2009 Bushfires	–	35	–	35
	Department of Education and Early Childhood Development (State)				
	Kindergarten IT Project	1,000	3,596	1,000	3,596
	Young Readers Project	638	567	638	567
	FUSE	490	–	490	–
	International Education Division Website Project	69	–	69	–
	Next Practice Program	140	–	140	–
	Strategic Partnerships Program	20	25	20	25
	Boys, Blokes, Books & Bytes	–	25	–	25
	Centre for Youth Literature	–	25	–	25
	Knowledge Bank: Next Generation	–	300	–	300
	Arts Victoria				
	Façade	1,832	225	1,832	225
	Centre for Books, Writing & Ideas	1,469	12,086	1,469	12,086
	Queens Hall maintenance	1,000	–	1,000	–
	Burke and Wills website	115	–	115	–
	Cultural Broadband Network	86	86	86	86
	VCN Digitisation project	209	–	209	–
	Library research	40	–	40	–
	Additional bandwidth – Fed Square Pty Ltd	7	–	7	–
	Literary Melbourne	–	35	–	35
	Pitt lift upgrade	–	31	–	31
	Premier's Literary Awards	–	130	–	130
	Reading Victoria	–	12	–	12
	<i>The Independent Type</i> – Major Touring Initiative	–	82	–	82
	UNESCO City of Literature	–	4	–	4

17 Externally Funded Projects (cont'd)	Consolidated		State Library of Victoria	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Department of Education, Employment and Workplace Relations (Commonwealth)				
Adult Learners Week	151	–	151	–
Department of the Environment, Water, Heritage and the Arts (Commonwealth)				
Children's Illustration	75	–	75	–
Department of Families, Housing, Community Services and Indigenous Affairs (Commonwealth)				
<i>The La Trobe Journal</i> : Indigenous Victorians	10	–	–	–
Other external funding				
<i>The La Trobe Journal</i> : Indigenous Victorians sponsors	19	–	–	–
RE Ross Trust	300	254	300	254
Rino and Diana Grollo	23	23	23	23
Major Projects Victoria	2	10	2	10
Australia Council	79	67	79	67
Victorian Health Promotion Foundation	25	–	25	–
State Libraries – NSW, WA, QLD, SA, NT, ACT	52	282	52	282
National Library of Australia	26	149	26	149
National Library of New Zealand	28	62	28	62
NSLA Secretariat	–	109	–	109
National Gallery of Victoria	31	30	31	30
ACMI – Australian Centre for the Moving Image	7	7	7	7
Fed Square Pty Ltd	–	7	–	7
Museum of Victoria	9	32	9	32
Victorian Arts Centre Trust	7	7	7	7
The Wheeler Centre	106	–	106	–
Monash University	15	–	15	–
Centre for Youth Literature sponsors	67	–	67	–
<i>'til you drop</i> sponsors	48	–	48	–
<i>The Summer Read</i> sponsors	72	–	72	–
MyLanguage sponsors	90	–	90	–
Copyright Agency Limited	10	15	10	15
<i>The Medieval Imagination</i> exhibition sponsors	–	17	–	17
Gordon Darling Foundation	–	13	–	13
WG Alma Estate	–	14	–	14
Other	34	49	34	49
	9,151	19,777	9,112	19,777
Less:				
Amounts received from Arts Victoria disclosed as:				
Capital funding	3,047	7,556	3,047	7,556
Contributed capital	–	4,786	–	4,786
Total externally funded projects	6,104	7,435	6,065	7,435

	Note	Consolidated		State Library of Victoria	
		2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
18					
Donations and bequests					
State Library of Victoria					
Donations in kind	1(n)	1,602	1,442	1,602	1,442
State Library of Victoria Foundation		–	–	512	1,260
Bequest – Shirley Horne		102	–	102	–
Bequest – Margery Pierce		–	5	–	5
Other donations		123	114	123	114
Total State Library of Victoria		1,827	1,561	2,339	2,821
State Library Of Victoria Foundation					
Memberships		57	58	–	–
Bequest – Mary Elisabeth McComas		539	–	–	–
Bequest – Valerie Joy Thompson		–	10	–	–
Donations		317	567	–	–
Total State Library of Victoria Foundation		913	635		
Total Library Board of Victoria		2,740	2,196	2,339	2,821

The Library Board of Victoria gratefully acknowledges the support received from the following donors and sponsors during the year:

The Age	Melbourne Central
All Purpose Consultants Pty Ltd	Melbourne Community Foundation
Allan Myers AO QC	Melbourne's GPO
Dr Andrew Tonkin	Mirvac Hotels & Resorts
Angela Berry	Monash University
The Annemarie & Arturo Gandioli Fumagalli Foundation	Mr Tulk Café
Australian National Academy of Music	Mrs Margaret Ross AM
Avant Card	News Magazines
The Block Arcade	NH Architecture
The CASS Foundation Limited	Palace Cinemas
C R Kennedy & Co Pty Ltd	Paper World
Cellarhand / Punt Road Wines	The Peter Isaacson Foundation
Centre for Australian Indigenous Studies, Monash University	Perpetual Trustees
City of Melbourne	QV Property Management Pty Ltd
The Comic's Lounge	Reader's Feast Bookstore
Dame Elisabeth Murdoch	Readings at the State Library
David Syme Charitable Trust	The Sebel Melbourne
Ellikon	Sir Keith Murdoch's children and grandchildren
Food & Desire Catering	Sportsgirl
Fred P Archer Charitable Trust / Trust Company Ltd	Tattersall's George Adams Foundation
Good Reading Magazine	Trust Company Limited
Herald & Weekly Times	V/Line
The Hotel Windsor	Walk-to-art
John T Reid Charitable Trusts	who's your girl? catering

		Consolidated		State Library of Victoria	
		2010	2009	2010	2009
		\$'000	\$'000	\$'000	\$'000
19	Other revenue and revenue from other parties				
(a)	Investment revenue				
	Interest revenue – general	940	1,093	778	958
	Interest revenue – bequests	68	84	66	84
	Dividends received	651	714	–	–
	Total investment revenue	1,659	1,891	844	1,042
(b)	Capital movements				
	Realised capital gains / (losses)	211	(36)	–	–
	Impairment loss on financial assets	–	(1,787)	–	–
	Total capital movement	211	(1,823)	–	–
20	Salaries and related expenses				
	Salaries	21,296	20,719	21,092	20,534
	Superannuation	2,151	2,196	2,131	2,180
	Other salary-related costs	4,651	4,183	4,615	4,145
	Total salaries and related expenses	28,098	27,098	27,838	26,859
21	Buildings and facilities				
	Security	1,130	1,260	1,130	1,260
	Repairs and maintenance	4,598	1,743	4,598	1,743
	Insurance	903	801	903	801
	Cleaning	704	736	704	736
	Utilities	1,008	980	1,008	980
	Other	62	68	62	68
	Total building and facilities	8,405	5,588	8,405	5,588
22	Professional and finance				
	Audit – internal and external	121	210	118	210
	Consultancy and other costs	2,401	1,525	2,339	1,471
	Total professional and finance	2,522	1,735	2,457	1,681
23	Borrowing costs				
	Finance lease interest	6	6	6	6
24	Grants distributed				
	Community skills and networks	95	1,159	95	1,159
	Refund of unused grants	32	–	32	–
	Library networks	61	232	61	232
	Total grants distributed	188	1,391	188	1,391
25	Other expenses from ordinary activities				
	Information technology	5,665	4,335	5,665	4,335
	IT operating leases	1,129	1,181	1,129	1,181
	Office administration	417	586	409	575
	Storage and conservation	333	403	333	403
	Marketing and promotion	1,773	2,142	1,713	2,100
	Communications	391	477	373	460
	Travel and related expenses	265	366	260	364
	Publications	353	331	298	271
	Total other expenses from ordinary activities	10,326	9,821	10,180	9,689

		Consolidated		State Library of Victoria	
		2010	2009	2010	2009
		\$'000	\$'000	\$'000	\$'000
26	Contingent assets and contingent liabilities				
	The Library Board of Victoria is not aware of any contingent asset or contingent liability as at 30 June 2010 (2009 Nil).				
27	Commitments for expenditure				
	The following commitments have not been recognised as liabilities in the financial statements:				
	Capital expenditure commitments				
	Capital expenditure includes façade maintenance, collection expenditure and construction costs for Centre for Books, Writing & Ideas, payable as follows:				
	Not later than one year	706	4,586	706	4,586
	Later than one year, not later than five years	386	–	386	–
	Later than five years	200	–	200	–
		1,292	4,586	1,292	4,586
	Other expenditure commitments				
	Other expenditure includes mechanical and lift maintenance, security, cleaning and rental of Ballarat offsite store, payable as follows:				
	Not later than one year	2,131	2,127	2,131	2,127
	Later than one year, not later than five years	4,897	6,946	4,897	6,946
	Later than five years	1,644	1,726	1,644	1,726
		8,672	10,799	8,672	10,799
	Operating leases				
	Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:				
	Not later than one year	1,140	1,391	1,140	1,391
	Later than one year, not later than five years	845	1,723	845	1,723
	Later than five years	–	–	–	–
		1,985	3,114	1,985	3,114
	Total commitments for expenditure (GST inclusive)	11,949	18,499	11,949	18,499
	Less GST recoverable from the ATO	(1,086)	(1,681)	(1,086)	(1,681)
	Total commitments for expenditure (GST exclusive)	10,863	16,818	10,863	16,818

	Note	Consolidated		State Library of Victoria	
		2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
28	Remuneration of auditors				
	Fees paid and payable to the Auditor-General for auditing the financial report	32	32	29	28
	The Auditor-General provided no other services.				
29	Notes to the Cash Flow Statement				
a)	Reconciliation of cash				
	For the purpose of the Cash Flow Statement, the Library Board of Victoria considers cash to include cash on hand and in banks, cash management accounts and investments in bank bills and fixed interest securities, net of bank overdrafts. Cash at end of the reporting period, as shown in the Cash Flow Statement, is reconciled to the related items in the Balance Sheet as follows:				
	Cash on hand	2	6	6	6
	Deposits	2	12,291	18,112	10,000
	Cash at bank	2	520	4,631	435
	Investments	4	4,856	4,815	—
		17,673	27,564	10,441	21,619
b)	Reconciliation of net result for the year to net cash flow from operating activities				
	Net result for the year	(6,501)	1,093	(7,530)	3,109
	Depreciation of equipment	1,661	1,817	1,661	1,817
	Depreciation of buildings	4,014	3,884	4,014	3,884
	Depreciation of collection	2,464	2,345	2,464	2,345
	(Profit)/loss on sale of assets	6	6	6	6
	Donations in kind	(1,602)	(1,442)	(1,602)	(1,442)
	Non-cash bequest received	(539)			
	Unrealised capital (gains) / losses	(211)	1,823	—	—
	Repayment of finance lease	6	6	6	6
	Changes in operating assets and liabilities				
	Provisions	722	544	722	544
	Receivables	835	297	(125)	(752)
	Inventory	4	3	4	3
	Payables	(2,944)	2,511	(2,944)	2,511
	Prepayments	40	(51)	40	(51)
	Accrued interest	172	(113)	172	(113)
	Accrued expenses	246	475	246	475
	Prepaid revenue	43	34	(7)	(16)
	Net cash provided from / (used in) operating activities	(1,584)	13,232	(2,873)	12,326
c)	Non-cash financing and investing activities				
	Acquisition of collections				
	During the year the consolidated entity received collections with an aggregate fair value of \$1,601,673 through public donations. These acquisitions are not reflected in the cash flow statement.				

30 **Financial instruments**a) **Financial risk management objectives and policies**

The Board's principal financial instruments comprise cash assets, term deposits, receivables, investments in equities, fixed interest securities and cash management funds, payables and finance lease payables.

Details of the significant accounting policies and methods adopted, including the criteria for recognition, the basis of measurement and the basis on which income and expenses are recognised, with respect to each class of financial asset, financial liability and equity instrument are disclosed in Note 1 to the financial statements.

b) **Categorisation of financial instruments**

The carrying amount of the Board's financial assets and liabilities by category are as follows:

		Consolidated		State Library of Victoria		
Financial instruments						
Financial assets						
		Note	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Cash and cash equivalents	N/A	2	526	4,637	441	4,619
Receivables	Loans & receivables	3	987	1,889	3,066	2,942
Cash and cash equivalents	Financial assets (at amortised cost)	2	12,291	18,112	10,000	17,000
Equity investments	Financial assets (at fair value through profit & loss)	4	13,027	11,535	–	–
Financial liabilities						
Payables	Financial liabilities (at amortised cost)	9	2,869	5,524	2,769	5,474
Interest bearing liabilities	Financial liabilities (at amortised cost)		149	72	149	72

c) **Net holding gain / (loss) on financial instruments by category****Financial assets**

Cash and cash equivalents	1,153	4	–	–
Loans & receivables	–	–	–	–
Cash and cash equivalents (at amortised cost)	66	1,073	845	1,042
At fair value through profit & loss	1,380	(1,009)	–	–

Financial liabilities

At amortised cost	(6)	(6)	(6)	(6)
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The net holding gains or losses disclosed above are determined as follows:

- For cash and cash equivalents, receivables and available-for-sale financial assets, the net gain or loss is calculated as interest and dividend revenue, realised capital gains less any impairment recognised in the net result;
- For financial liabilities measured at amortised cost, the net gain or loss is calculated as interest expense only.

30 **Financial Instruments (cont'd)**d) **Credit risk**

Credit risk arises from the financial assets of the Board, which comprise cash and cash equivalents, term deposits, bank bills and equity investments. The Board's exposure to credit risk arises from the potential default of counter parties on their contractual obligations resulting in financial loss to the Board. Credit risk is measured at fair value and is monitored on a regular basis.

Credit risk associated with the Board's financial assets is minimal because the main debtors are Victorian Government Departments, ANZ Banking Group Limited, National Australia Bank Limited, Suncorp-Metway Limited and Perpetual Trustee Company Ltd.

The Board does not engage in hedging for its financial assets and the Board does not hold any collateral as security nor credit enhancements relating to any of their financial assets.

Except as noted in the following table, the carrying amount of financial assets recorded in the financial report represents the Board's maximum exposure to credit risk.

	Consolidated		State Library of Victoria	
	2010	2009	2010	2009
	\$'000	\$'000	\$'000	\$'000
Financial assets				
Cash and cash equivalents	526	4,637	441	4,619
Receivables	987	1,889	3,066	2,942
Cash and cash equivalents (at amortised cost)	12,291	18,112	10,000	17,000
Equity investments	13,027	11,535	–	–

As at reporting date there is no event to indicate that any of the financial assets other than equity investments were impaired. All financial assets are current and not past due.

	Carrying amount	Not past due and not impaired	Impaired financial assets
	\$'000	\$'000	\$'000
2010 Consolidated			
Financial assets			
Cash and cash equivalents	526	526	–
Receivables	987	987	–
Cash and cash equivalents (at amortised cost)	12,291	12,291	–
Equity investments	13,027	13,027	–
Total financial assets	26,831	26,831	–
2009 Consolidated			
Financial assets			
Cash and cash equivalents	4,637	4,637	–
Receivables	1,889	1,889	–
Cash and cash equivalents (at amortised cost)	18,112	18,112	–
Equity investments	11,535	11,535	1,823
Total financial assets	36,173	36,173	1,823

30 **Financial Instruments (cont'd)**e) **Liquidity risk**

Liquidity risk may arise if the Board is unable to meet its financial obligations as they fall due. The Board operates under the Government fair payments policy of settling financial obligations within 30 days and continuously manages risk through monitoring future cash flows and maturities planning to ensure adequate holding of high quality liquid assets.

The Board's exposure to liquidity risk is deemed insignificant based on historical data and current risk assessment. The carrying amount of financial liabilities recorded in the Financial Report represents the Board's maximum exposure to liquidity risk, as follows:

	Consolidated		State Library of Victoria	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Financial liabilities				
Payables	2,869	5,524	2,769	5,474
Interest-bearing liabilities	149	72	149	72

The following table discloses the contractual maturity analysis of financial liabilities:

	Carrying amount	Nominal amount	less than 1 month	1 to 3 months	3 months to 1 year	Maturity Dates 1 to 5 years	Over 5 years
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2010							
Financial liabilities							
Payables	2,869	2,869	2,690	–	179	–	–
Interest-bearing liabilities	149	149	4	8	36	101	–
Total financial liabilities	3,018	3,018	2,694	8	212	101	–
2009							
Financial liabilities							
Payables	5,524	5,524	5,388	–	86	50	–
Interest-bearing liabilities	72	72	2	5	65	72	–
Total financial liabilities	5,596	5,596	5,390	5	151	122	–

f) **Market risk**

The Board is exposed to market risk primarily through interest rate risk and equity price movements quoted on the Australian Stock Exchange, with minimal exposure to foreign currency risk.

Foreign currency risk

Exposure to foreign currency risk arises only through the Board's payables, relating to the acquisition of collection items from overseas. This risk is mitigated by the fact that any adverse foreign currency movements will be offset by a reduction in purchases expenditure. Consequently there is no foreign exchange risk related to adverse movements in exchange rates.

Interest rate risk

Exposure to interest rate risk arises primarily through the Board's interest bearing assets (term deposits) at the time of expiration of one term and renegotiation for a new term. The Board's exposure to interest rate risk is reduced due to its policy of investing in fixed rate deposits for as long as possible. The carrying amounts of financial assets and liabilities that are exposed to interest rates are set out in the following table:

30 **Financial Instruments (cont'd)**

	Weighted average effective interest rates	Carrying amount	Interest rate exposure		
	(%)	\$'000	Fixed interest rate	Floating interest rate	Non interest bearing
			\$'000	\$'000	\$'000
2010					
Financial assets					
Cash and cash equivalents	1.3%	526	–	81	445
Receivables	–	987	–	–	987
Cash and cash equivalents (at amortised cost)	5.2%	12,291	12,291	–	–
Equity investments	1.9%	13,027	4,407	449	8,171
Total financial assets		26,831	16,698	530	9,603
Financial liabilities					
Payables	–	2,869	–	–	2,869
Interest-bearing liabilities	6.6%	149	149	–	–
Total financial liabilities		3,018	149	-	2,869
2009					
Financial assets					
Cash and cash equivalents	2.4%	4,637	–	18	4,619
Receivables	–	1,889	–	–	1,889
Cash and cash equivalents (at amortised cost)	5.9%	18,112	18,112	–	–
Equity investments	2.0%	11,535	4,510	305	6,720
Total financial assets		36,173	22,622	323	13,228
Financial liabilities					
Payables	–	5,524	–	–	5,524
Interest-bearing liabilities	6.9%	72	72	–	–
Total financial liabilities		5,596	72	–	5,524

30 **Financial Instruments (cont'd)****Equity price risk**

Exposure to equity market risk arises from the Board's direct investments in equities and fixed interest securities quoted on the Australian Stock Exchange. The Board's exposure to losses from adverse price movements is not hedged. The carrying amount of equity investments recorded in the financial report represents the Board's maximum exposure to equity market risk.

Sensitivity disclosure analysis

Taking into account past performance, future expectations, economic forecasts and fund managers' knowledge and experience the Board believes that the following movements are 'reasonably possible' over the next 12 months (Base rates are sourced from Reserve Bank of Australia and Australian Stock Exchange)

- A parallel shift of +2 per cent and -2 per cent in market interest rates (AUD) from year end rates of 5.7%. (2009 1%).
- A proportional equity price movement of +5 per cent (+215 points) and -5 per cent (-215 points) from the year end S&P/ASX200 benchmark index of 4301.50 (2009: 3954.9).
- The following table discloses the impact on net operating result and equity for each category of financial instrument held by the Board at year end:

	Carrying amount	Interest rate risk				Equity market risk			
		-2% Net result	-2% Equity	+2% Net result	+2% Equity	-5% Net result	-5% Equity	+5% Net result	+5% Equity
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2010									
Financial assets									
Cash and cash equivalents	526	—	—	—	—	—	—	—	—
Receivables	987	—	—	—	—	—	—	—	—
Cash and cash equivalents (at amortised cost)	12,291	(246)	(246)	246	246	—	—	—	—
Equity investments	13,027	(98)	(98)	98	98	(409)	(409)	409	409
Financial liabilities									
Payables	2,869	—	—	—	—	—	—	—	—
Interest-bearing liabilities	149	—	—	—	—	—	—	—	—
Total increase / (decrease)		(344)	(344)	344	344	(409)	(409)	409	409
2009									
Financial assets									
Cash and cash equivalents	4,637	—	—	—	—	—	—	—	—
Receivables	1,889	—	—	—	—	—	—	—	—
Cash and cash equivalents (at amortised cost)	18,112	(181)	(181)	181	181	—	—	—	—
Equity investments	11,535	(48)	(48)	48	48	(336)	(336)	336	336
Financial liabilities									
Payables	5,524	—	—	—	—	—	—	—	—
Interest-bearing liabilities	72	—	—	—	—	—	—	—	—
Total increase / (decrease)		(229)	(229)	229	229	(336)	(336)	336	336

g) **Fair value**

The Board considers that the carrying amount of financial assets and liabilities recorded in the financial report to be a fair approximation of their fair values at year end. The fair values are determined as follows:

- the carrying amount is considered to be a fair approximation of fair value where the financial instruments are of a short-term nature and the expectation is that they will be paid in full; and
- the fair value of financial assets with standard terms and conditions and traded in active liquid markets are determined with reference to quoted market prices.

31 **Superannuation**

The Board made superannuation contributions for employees as follows:

	Consolidated		State Library of Victoria	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
Defined benefit plan				
State Superannuation Fund	631	631	631	631
Defined contribution plans				
VicSuper	1,391	1,391	1,375	1,375
Private superannuation funds	174	174	174	174
	2,196	2,196	2,180	2,180

There are no superannuation contributions outstanding as at 30 June 2010. The Library Board of Victoria has no responsibility for unfunded liabilities associated with any of the above mentioned superannuation schemes. Employer contributions vary from 7.5% to 17% depending on employee fund membership.

32 **Other economic flows included in net result**

	Consolidated		State Library of Victoria	
	2010 \$'000	2009 \$'000	2010 \$'000	2009 \$'000
(a) Net gain / (loss) on financial instruments				
Gain on sale of available-for-sale financial assets	211	–	–	–
Impairment of available-for-sale financial assets	–	(1,823)	–	–
(b) Net gain / (loss) on non-financial assets				
Net gain /(loss) in disposal of non-financial assets	6	(6)	6	(6)
(c) Capital assets charge				
Capital assets charge – revenue	41,403	41,403	41,403	41,403
Capital assets charge – expense	(41,403)	(41,403)	(41,403)	(41,403)
(d) Capital funding				
Capital funding provided by Arts Victoria	3,047	7,556	3,047	7,556
(e) Other gains /(losses) from other economic flows				
Revaluation of long service leave liability due to changes in bond rates	(64)	(111)	(64)	(111)
Total other economic flows included in net results	3,200	5,616	2,989	7,439

33 Responsible persons

The Minister for the Library Board of Victoria is Peter Batchelor MP, Minister for the Arts. Amounts relating to remuneration for the Minister for the Arts are disclosed in the financial statements for the Department of Premier and Cabinet.

The Accountable Officer of the Library is Ms Anne-Marie Schwirtlich. Remuneration received or receivable by the Accountable Officer in connection with the management of the Library during the reporting period was in the range \$270,000–\$279,999 (\$260,000–\$269,999 in 2009).

The names of Board members who have held office during the year are:

The Hon. John Cain (President)
 Mr Kevin Quigley (Deputy President)
 Ms Robyn Annear
 Dr Catherine Dale
 Prof. Merran Evans
 The Hon. Sherryl Garbutt
 Ms Susan Halliday (to 23 May 2010)
 Mr Stephen Kerr
 Mr Glenn Mescher (to 23 May 2010)
 Mr Bruce Akhurst (from 24 May 2010)
 Ms Sylvia Geddes (from 24 May 2010)
 Mr Dennis Goldner (from 24 May 2010)

No member of the Board has received remuneration or retirement benefits during 2009–10.

Remuneration of executives

The numbers of executive officers, other than Ministers and Accountable Officers, and their total remuneration during the reporting period are shown in the first two columns in the table below in their relevant income bands. The base remuneration of executive officers is shown in the third and fourth columns. Base remuneration is exclusive of bonus payments, long-service leave payments, redundancy payments and retirement benefits.

Factors affecting total remuneration payable to executives over the year include some executives receiving bonus or termination payments, and adjustments made to remuneration ranges.

Income Band	Total Remuneration		Base Remuneration	
	2010	2009	2010	2009
	No.	No.	No.	No.
\$150,000 – 159,999	0	0	2	2
\$160,000 – 169,999	1	2	1	1
\$170,000 – 179,999	2	1	0	0
Total numbers	3	3	3	3
Total amount (\$'ooo)	518	494	475	467

There were no related party transactions during the year ended 30 June 2010.

34 Subsequent events

The Library Board of Victoria is not aware of any events occurring subsequent to 30 June 2010 which may have a material effect on the financial statements. (2009 Nil).

35 **Staffing Profile****Table 1**

Number of executive officers classified into 'Ongoing' and 'Special Projects'

Class	All		Ongoing		Special Projects	
	No.	Var	No.	Var	No.	Var
EO-1	0	0	0	0	0	0
EO-2	1	0	1	0	0	0
EO-3	3	0	3	0	0	0
Total	4	0	4	0	0	0

Table 2

Breakdown of executive officers into gender for 'Ongoing' and 'Special Projects'

Class	Ongoing					Special Projects				
	Male		Female		Vacancies	Male		Female		Vacancies
	No.	Var.	No.	Var.	No.	No.	Var.	No.	Var.	No.
EO-1	0	0	0	0	0	0	0	0	0	0
EO-2	0	0	1	0	0	0	0	0	0	0
EO-3	1	0	2	0	0	0	0	0	0	0
Total	1	0	3	0	0	0	0	0	0	0

Table 3**Class**

		2010	2009
Executives with remuneration over \$100,000		4	4
Add	Vacancies	0	0
	Executives employed with total remuneration below \$100,000	0	0
	Accountable Officer (Secretary)	0	0
Less	Separations	0	0
		4	4

Total executive numbers at June 2010**Table 4**

Number of Executive Officers for the Department's portfolio entities

	Total		Vacancies		Male	Female	
Portfolio Agencies	No.	Var.	No.	No.	Var.	No.	Var.
State Library of Victoria	4	0	0	1	0	3	0
Total	4	0	0	1	0	3	0

Table 5

Headcount June 2009-2010

				Ongoing	Fixed term & casual employees
	Employees (Headcount)	Full time (Headcount)	Part time (Headcount)	FTE	FTE
June 2010	276	237	39	254.74	72.53
June 2009	271	236	35	252.00	92.60

	June 2010			June 2009		
	Ongoing		Fixed term & casual employees	Ongoing		Fixed term & casual employees
	Employee (Headcount)	FTE	FTE	Employee (Headcount)	FTE	FTE
Gender						
Male	110	102.86	26.59	108	102.26	35.41
Female	166	151.88	45.94	163	149.74	57.19
Age						
Under 25	6	5.80	16.64	5	5.00	16.99
25-34	34	33.20	30.33	26	25.20	42.24
35-44	72	66.08	9.82	73	68.38	12.87
45-54	94	88.06	9.84	97	88.96	13.85
55-64	64	58.40	5.65	64	59.10	6.40
Over 64	6	5.20	0.25	6	5.36	0.25
Classification						
VPS 1	4	3.80	19.37	5	4.34	22.33
VPS 2	64	56.44	11.45	59	53.18	20.05
VPS 3	98	90.3	22.31	96	89.00	29.17
VPS 4	43	40.50	5.60	46	43.40	6.80
VPS 5	41	38.20	4.80	38	36.00	4.00
VPS 6	19	18.80	3.00	18	17.80	4.00
STS	10	0.00	1.00	1	1.00	1.25
Executives	0	0.00	4.00	0	0.00	4.00
Other	7	6.7	1.00	8	7.28	1.00

36 Glossary of Terms

ATO

Australian Taxation Office.

Comprehensive result

Total comprehensive result is the aggregate of net result and other non-owner changes in equity.

Capital asset charge

The capital asset charge represents the opportunity cost of capital invested in the non-current physical assets used in the provision of outputs.

Commitments

Commitments include those operating, capital and other outsourcing commitments arising from non-cancellable contractual or statutory sources.

Employee benefits expenses

Employee benefits expenses include all costs related to employment including wages and salaries, leave entitlements, redundancy payments and superannuation contributions.

Financial asset

A financial asset is any asset that is:

- cash;
- an equity instrument of another entity, or;
- a contractual right to receive cash or another financial asset from another entity.

GST

Goods and Services Tax introduced by the Federal Government with the *A New Tax System (Goods and Services Tax) Act 1999*.

Grants and other transfers

Transactions in which one unit provides goods, services, assets (or extinguishes a liability) or labour to another unit without receiving approximately equal value in return. Grants can either be operating or capital in nature. Grants are referred to by the AASB as involuntary transfers and are termed non-reciprocal transfers.

Grants can be paid as general purpose grants which refer to grants that are not subject to conditions regarding their use. Alternatively, they may be paid as specific purpose grants which are paid for a particular purpose and/or have conditions attached regarding their use.

Grants for on-passing

All grants paid to one institutional sector (e.g. a State general government) to be passed on to another institutional sector (e.g. local government or a private non-profit institution). Vicnet receives grants for on-passing as part of the following grant agreements: Public Internet Access Program, My Connected Community, Internet training for People with a Disability and CALD (Culturally and Linguistically Diverse) Senior Surfers.

Financial statements

Depending on the context of the sentence where the term 'financial statements' is used, it may include only the main financial statements (i.e. comprehensive operating statement, balance sheet, cash flow statements, and statement of changes in equity); or it may also be used to replace the old term 'financial report' under the revised AASB 101 (Sept 2007), which means it may include the main financial statements and the notes.

Intangible assets

Intangible assets represent identifiable non-monetary assets without physical substance.

Interest expense

Costs incurred in connection with the borrowing of funds, interest expense includes the interest component of finance leases repayments.

Interest revenue

Interest revenue includes interest received on bank term deposits, interest from investments, and any other interest received.

LSL

Long Service Leave.

Net result

Net result is a measure of financial performance of the operations for the period. It is the net result of items of revenue, gains and expenses (including losses) recognised for the period, excluding those that are classified as 'other non-owner changes in equity'.

Net result from transactions/net operating balance

Net result from transactions or net operating balance is a key fiscal aggregate and is revenue from transactions minus expenses from transactions. It is a summary measure of the ongoing sustainability of operations. It excludes gains and losses resulting from changes in price levels and other changes in the volume of assets. It is the component of the change in net worth that is due to transactions and can be attributed directly to government policies.

Non-financial assets

Non-financial assets are all assets that are not 'financial assets'.

Other economic flows

Other economic flows are changes in the volume or value of an asset or liability that do not result from transactions. It includes gains and losses from disposals, revaluations and impairments of non-current physical and intangible assets; actuarial gains and losses arising from defined benefit superannuation plans; fair value changes of financial instruments and agricultural assets; and depletion of natural assets (non-produced) from their use or removal. In simple terms, other economic flows are changes arising from market re-measurements.

Payables

Includes short-and long-term trade debt and accounts payable, grants and interest payable.

Receivables

Includes short-and long-term trade credit and accounts receivable, grants, taxes and interest receivable.

Sales of goods and services

Refers to revenue from the direct provision of goods and services and includes fees and charges for services rendered, sales of goods and services.

Supplies and services

Supplies and services generally represent cost of goods sold and the day-to-day running costs, including maintenance costs, incurred in the normal operations of the department.

Transactions

Transactions are those economic flows that are considered to arise as a result of policy decisions, usually an interaction between two entities by mutual agreement. Transactions can be in kind (e.g. assets provided/ given free of charge or for nominal consideration) or where the final consideration is cash. Transactions also include flows within an entity such as depreciation where the owner is simultaneously acting as the owner of the depreciating asset and as the consumer of the service provided by the asset.

Through the *slv21* program the Library has achieved a profound shift in the way it serves the people of Victoria. It remains, at heart, Victoria's memory - collecting, documenting and preserving what is published in Victoria and the documentary and pictorial heritage of the state - and Victoria's conduit to global information. But it now does this in a completely 21st-century way, and has built around the core of its collection a range of services that help to inform, enlighten and delight Victorians and build their capacity to be part of the global knowledge economy.

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