



**Library Board
of Victoria**
Annual Report

2013–14



Library Board of Victoria Annual Report 2013–14

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President's report

It has been another outstanding year for the State Library of Victoria.

We aspire to be a highly trusted and accessible knowledge centre for all Victorians. One way we do that is through our collections, a highlight this year being the donation of a letter documenting an eyewitness account of the capture of Ned Kelly during the siege of Glenrowan. Another way is through our programs. We have launched new lecture series such as Big ideas under the dome, and panel discussions such as the Policy Pitch in partnership with Grattan Institute, which are meeting with a very positive public response. During the year we also announced 11 new Creative Fellows in areas as diverse as children's books and World War I.

After two years of intensive preparation, our world-first exhibition in partnership with Sir Cameron Mackintosh, *Victor Hugo: Les Misérables – From Page to Stage*, opened in July 2014. This is our largest and most ambitious exhibition ever undertaken, and features Hugo's original manuscript, loaned to us by the Bibliothèque nationale de France. This manuscript is one of the official national treasures of France and it is the first time it has been allowed to travel outside of Europe. We are grateful for the support of the French, Australian and Victorian governments (through Victorian Major Events Company) in allowing us to put on this important and entertaining exhibition, which coincides with the return of the famous musical theatre production to Melbourne.

We had occasion during the year to reflect on the past with the Dome Centenary, which celebrated the magnificent achievements of this institution – those who built it and improved it, and the generations who have worked, studied, created and enjoyed the atmosphere here over the past 100 years.

Most importantly, however, we look to the future with great confidence. The Library is not only a key cultural asset of Victoria, it also plays a vital role in servicing our state's economic future. As a knowledge institution that is free and accessible to all, we are central to Victoria's growing education industry, particularly the international student market.

The Board of the Library now proposes to improve our services and offering through a targeted redevelopment and improvement of the Library building. This will involve a new Digital Centre, Children's and Youth Literacy Centre, Entrepreneurship Centre, a restored Queen's Hall, and opening the Russell Street entrance to make the Library more accessible and provide an entry point to new major exhibition galleries. These new services and features will provide substantial cultural and economic benefits for Victoria, and the Board is committed to bringing them to fruition in the near future.

I congratulate Sue Roberts, our CEO and State Librarian, and her management team at the Library for their great work in ensuring that the Library – now in its 160th year – remains at the top of its game. I also thank members of the Foundation, volunteers, partners, sponsors and other supporters, and – of course – the outstanding Library staff who contribute so much to this great Library. Finally, I thank my fellow Board members and make special mention of the fact that all of them have generously contributed personally towards the forthcoming refurbishment of Palmer Hall, in my view a new benchmark in philanthropic leadership in the public sector. Thank you – I am proud of you.



John Wylie AM
President, Library Board of Victoria

Chief Executive Officer and State Librarian's year in review



Andrew Lloyd

In 2013–14, the Library was more popular than ever for people from all walks of life. Visitors came to undertake research using the collections, to find a quiet place to study, to seek inspiration and pleasure from our programs and events, and to share their interests with others. This was demonstrated again in the increased number of visits this year, with 1,775,855 onsite visits, and 3,384,737 online visits. Members of the public sought staff subject expertise on 62,870 occasions through face-to-face interactions, over the phone and through online chat and email. The success and community service of a public institution such as the Library should not be judged solely by visitation, but this is clear evidence that we continue to increase our relevance and service to today's community.

The continuous improvement of the Library's service to the community is an ongoing goal, and we have recently undertaken focused work on a redesigned service model to better meet the needs of multiple audiences.

Pages 6–17 of this report provide a detailed account of the Library's activities over the year, in line with the strategic priorities of the *Corporate Plan 2013–16*.

Some of my highlights have been the opportunity to further expand our international relationships with major French cultural institutions for our world-first exhibition, *Victor Hugo: Les Misérables – From Page to Stage*, our forthcoming partnership with the Victoria and Albert Museum, and the sharing of expertise with the British Library and New York Public Library.

Other highlights include the acquisition of several significant items and staging two major exhibitions – *Free, secular and democratic: building the public library 1853–1913* and *Rome: Piranesi's vision. Free, secular and democratic* was the centrepiece of the Library's Dome Centenary celebrations and drew close to 50,000 visitors. Visitation to *Rome: Piranesi's vision* was even higher, with more than 80,000 people enjoying the works of Giovanni Battista Piranesi (1720–78), drawn from our own collection and that of the University of Melbourne library.

In 2013–14, the Library completed a three-year program of work with Victorian public libraries and committed to another three years of collaboration to deliver excellent library services to all Victorians. Highlights of the year included building sector capacity through a leadership program, and creating a vision of the public library of the future with the publication of *Victorian Public Libraries 2030*. The Library collaborated with many public libraries, especially in regional Victoria, to deliver a host of community engagement programs such as the Summer Read campaign to promote great Victorian books and the High Road to Reading author tour.

Through these events, along with a broad range of exciting and engaging programming, the Library continues to build Victoria as a centre of creativity and knowledge.

I would also like to acknowledge the Victorian State Government for their ongoing support, highlighting in particular the significant grant of \$6.7 million for works to preserve and protect the dome and Swanston Street facades. This work commenced in May 2014 and will continue until June 2015.

I look forward to the Library achieving even more for the people of Victoria during the coming year, and join with the President of the Board in thanking all those who have helped us achieve so much during the past year.

A handwritten signature in black ink, reading 'Sue Roberts'.

Sue Roberts
Chief Executive Officer and State Librarian

Vision and values

As expressed in our *Corporate Plan 2013–16*, the Library is guided by the following vision and values.

Vision

To be a place where all Victorians can discover, learn, create and connect; a cultural and heritage destination for Victorians; and a leader in the discovery of information, enabling the generation of new knowledge and ideas.

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.

Report of operations

This section reflects the strategic directions of the *Corporate Plan 2013–16* and reports on our activities in line with these seven building blocks:

- Community engagement
- Access
- Collections and content
- Place and space
- Collaboration
- People and capabilities
- Sustainable financials and funding.

Community engagement

Growing lifetime engagement by extending participation and strengthening connections

In December 2013, the Community Programs Division was established to strengthen the work of the former events team in driving community engagement through increased development and delivery of innovative programs that present and interpret the Library's collections.

Community engagement programs

The Dome Centenary year leading up to November 2013 provided a platform for a rich offering of programs and events including a conversations series of panel discussions around creativity and the dome, a showcase event featuring Creative Fellows, and the Carnival of Curiosity – a fantastic family day that included everything from a time machine and stilt-walking policemen to a steampunk lounge and an old-fashioned Punch and Judy show.

We also established a new lecture series – Big ideas under the dome – to provide an ongoing forum for great minds to reflect on the big ideas and issues of our time. The inaugural lecture was presented by Geoffrey Robertson QC. Since then Professor Peter Donnelly, Julian Burnside AO, QC and the Honourable Andrew Robb AO, MP have provided stimulating and thought-provoking insights into their fields of expertise and interest.

Online we created a dedicated Dome Centenary website and invited authors, artists, performers, architects, comedians, library staff, children and everyday visitors to share their personal stories of being inspired by, working in or just admiring the dome. As well as reading these sometimes funny, moving and informative stories at dome100.com.au, you can also watch 100 readers reading from their favourite books. Contributors represented a range of creative fields, and included people such as Peter Carey, Alice Pung, Josh Earl, Stephanie Alexander, Frederick Mendelsohn and Julia Zemiro.

Moving into 2014, we continue to seek opportunities to partner with other organisations in delivering as wide a

variety of programs as possible. In May we partnered with the Next Wave Festival to host performance artists bomb collective. This was supported by an outside broadcast of Triple R's SmartArts program live from the forecourt. In the same month we also teamed up with the Melbourne Chamber Orchestra to provide a pop-up lunchtime concert of chamber music in the Cowen Gallery.

We again participated in the hugely successful White Night Melbourne all-night celebration of art and culture in the city. The La Trobe Reading Room was transformed into an immersive, audio-visual experience by artist Drew Berry's enormous animated illumination, *Molecular Kaleidoscope – Virus one billion times*, accompanied by music from composer Franc Tétaz. Outside, crowds were entertained by Nick Azidis' *Kaleidoscope*, an exploration of plant forms projected across the Library's facade. The interior and exterior projections attracted over 21,000 visitors who streamed through the Library until dawn.

In March we collaborated again with the Wheeler Centre to deliver the fourth Children's Book Festival. Well over 10,000 children and their families attended and were delighted by a range of creative activities, as well as talks and book signings with favourite authors including Jackie French, Sally Rippin, John Marsden and Andy Griffiths. The lawns and surrounds were populated with comic workshops, music, songs and a massive sticky maze in Little Lonsdale Street.

Our lecture series continue to draw audiences keen to engage with deeper questions. The Policy Pitch – a monthly lecture series presented in partnership with Grattan Institute – commenced in February and consistently attracts an excellent attendance, as does the monthly Making Public Histories seminar series presented in conjunction with the History Council of Victoria and Monash University.

This year's Foxcroft Lecture, held in May to honour the pioneering work of librarian Albert Broadbent Foxcroft in the field of bibliography, was presented by Nicolas Barker, editor of *The Book Collector* since 1965. A packed house enjoyed his exploration of the murky yet entertaining history of fakes, frauds and forgers.

Creative Conversations, a series of monthly events showcasing the creative endeavours and behind-the-scenes collection research of our fellowship recipients, was launched in May, with the first two sessions booking out quickly.

Our annual Rare Books Summer School continues to draw people interested in furthering their specialist knowledge of the history of the book, and our regular

public learning programs on research skills, genealogy and using resources and the newspaper collection offer new users the chance to learn about the Library's many tools and resources.

The Library also participated in numerous Melbourne-wide, Victorian and national programs including Clunes Book Town, Rare Book Week, Open House, Melbourne Writers Festival, National Family History Month and Melbourne Knowledge Week.

Engaging and educating

During the reporting period, over 28,000 primary and secondary students visited the Library as part of their studies, participating in a range of tours and workshops related to the Library's unique collections, heritage building and facilities. The Open Access program for disadvantaged schools ran in term 3 of 2013, delivering a full-day experience for 529 early-years students.

We continued to provide an engaging professional development program for teachers and teacher librarians. The Library's educator network spans both national and state teaching associations, with staff delivering conference presentations focused on history and technology.

The Personal Learning Network program expanded to include the Personal Learning Network Plus and Research Toolkit short courses, enabling a further 300 participants in this year's intake to build a strong learning community.

The Centre for Youth Literature saw a 26 per cent increase in the numbers of young people and teachers using Inside a Dog, our popular teen reading website, while for the first time the national Inky Awards gathered all shortlisted authors together for a special Youth Awards ceremony, unveiling the top title as voted for by Australian teenagers.

The Reading Matters schools program took place in Melbourne, Geelong and Brisbane, with 1034 students meeting international and local authors. The Author's Toolkit program visited three regional and two outer-metropolitan schools, with 415 students taking part in 50 sessions.

The Library's first public online learning course was Branching Out, a six-week pilot program delivered by our expert genealogy team on skills and resources for people researching their family history. It was presented in collaboration with 16 public libraries around Victoria and recorded a 100 per cent satisfaction rating from its participants.

The Library continued to manage the rollout of the IT for Kindergartens initiative for the Department of Education and Early Childhood Development for the second year of a three-year funded period. This initiative provides ICT and hardware support, ICT advice, connectivity, email, web publishing and web hosting to a diverse range of community kindergartens across Victoria.

Engaging through partnership

Enhanced community engagement and opportunities for creativity were provided in partnership with public libraries across the state via several literary programs including:

- the High Road to Reading program of author events and workshops
- the Summer Read adult reading program
- the Australian Poetry Slam, which comprised state heats and a national final.

Greater community engagement was also supported by the ongoing digitisation of metropolitan and regional newspapers published during World War I, in anticipation of a surge in community interest with the centenary commemoration of the war in 2014. Over the last three years, 368,448 pages containing over three million articles from 176 newspapers have been digitised and made accessible to anyone, anywhere and at any time through the National Library's Trove search service.

Connecting with the community

Over the past year we have invited feedback directly from our communities to help us gauge visitor demographics and their experience of the Library. Our market research included an annual intercept survey, an exit survey, brand research, and audience testing for the upcoming international exhibition, *Victor Hugo: Les Misérables – From Page to Stage*.

We have sought to reach new audiences through various channels in print, online, radio and television. The value of the Library's media coverage during the reporting period was \$38,092,180.41. This is more than double the value of the previous year and the highest value received to date. Among the many media highlights throughout the year was coverage of Donald Gray Sutherland's newly acquired letter giving an eyewitness account of Ned Kelly's last stand. The announcement of the loan of Victor Hugo's original handwritten *Les Misérables* manuscript was another highlight that achieved extensive national coverage. Monthly guest spots by Sue Roberts on 774 ABC Melbourne also contributed to the Library's increased profile.

Access

Driving participation by creating immersive and easy exploration of content and activities

The Library has a long tradition of engaging with all sectors of the community, providing skills for life through free access to information resources and technologies, adaptive technologies and services for individuals with disabilities, as well as targeted programs for schools and diverse community groups.

Access for communities

Disability services in Victorian public libraries was supported in two important ways in 2013–14, and both with the assistance of the Pierre Gorman Foundation. A new online information resource for public library staff about how best to offer service to someone with a disability was developed and complemented by an innovative six-module elearning program. The REAL (Resources for Equitable Access to Libraries) website can be accessed at reallibraryaccess.net.au.

The biennial \$25,000 Pierre Gorman Award to a Victorian public library for service development and delivery to people with a disability was presented to Campaspe Regional Library for 'Being connected: libraries and autism', a multi-faceted initiative in partnership with other Echuca-based community organisations.

Onsite at the Library, people with special needs are provided with a range of assistive technology software and equipment primarily in our Assistive Technology Room, as well as other reading rooms. We also offer access to recorded interviews and accompanying transcriptions to improve access to specific programs.

Initiatives seeking to promote Victoria's cultural diversity this year included the Multicultural Arts Victoria Mapping Melbourne fashion parade as part of the Asian Contemporary Arts Festival, the Italian Cultural Day featuring the inter-generational Australian Italian women's choir La Voce Della Luna, and Italian language tours of the *Rome: Piranesi's vision* exhibition. Our Koori Librarian has also provided tours and introduction sessions on services and collections to Victorian Aboriginal community groups such as Link Up Victoria.

The MyLanguage portal and program, a partnership between six of Australia's state and territory libraries that commenced in 2004, provided online access to government information and resources in more than 65 community languages. Over the past nine years, demand has declined and in 2013 the Library led a review that established that there is a range of alternative online resources easily available in many community languages.

As a result the Library, in conjunction with National and State Libraries Australasia, has decided to close the MyLanguage website and program in August 2014, with many of its pioneering resources moved to new sites and the website archived in the Pandora web archive.

Our collection development policy endeavours to cover subject areas of relevance to all audiences, with particular selections reflecting the interests of women and families. Our programming also responds to changing needs, with greater investment this year in the provision of spaces and programming for young families, such as Baby Bounce and Storytime, to accommodate these growing audiences.

Our Learning Services team and Centre for Youth Literature continue to offer a broad range of programming for young people, including the Open Access program for students from disadvantaged schools, the Inside a Dog teen reading website, a young writer in residence program, the teen-selected Inky Awards, the biennial Reading Matters conference and schools program, and participation in the annual Melbourne Writers Festival schools program.

Information and communications technology

The redevelopment of the Library's corporate website began in 2013 and is focused on encouraging users to explore the Library through a combination of familiarity, ease of use, consistent positive experience and an incentive to return to the site. Phase one of the new website will be live in the second half of 2014.

Digital initiatives during the year included building an online image gallery for the *Rome: Piranesi's vision* exhibition and a dedicated microsite to manage ticket sales for the *Victor Hugo: Les Misérables – From Page to Stage* exhibition that will be launched in July 2014.

Other initiatives introduced in 2013–14 include a virtual tour of the Library through the use of Google photography. The tour provides a journey from the front door through to the Redmond Barry Reading Room and the Dome Galleries, as well as a 360-degree visual experience of the La Trobe Reading Room.

The *Street history: Hoddle's grid* mobile application was live on the iTunes app store in early April. With more than 300 images from the Library's extraordinary Pictures Collection, it casts a new light on the original grid of Melbourne CBD streets that formed the old city.

The *Discover Ned Kelly at the State Library of Victoria* mobile application was launched in September 2013. Designed as a starting point for discovery of the Kelly legend, the app covered Ned Kelly's life story with the

support of hundreds of facts, images and links. Due to technical difficulties with the app's third-party content management system, it was removed from sale in mid-February.

Continuous improvement

The continuous improvement of the Library's service to the community is an ongoing goal, and the year has included focused work on service model redesign. Working with an external consultancy, we reviewed our current model and developed a new service model that will better meet the needs of multiple audience groups. The new service model will begin to be implemented in the coming financial year.

During the reporting period, wi-fi facilities for the public were upgraded, with new access points installed to meet the continually increasing demand.

SMS alerts were implemented for requested items. People can now receive SMS notification when their collection item has been retrieved from storage.

The opportunity to receive reminders about library card renewal via email rather than by letter was introduced. This is a 'green' initiative that saves on paper and delivers savings in mailing costs.

The use of hand-held devices to measure usage of all materials on open access in the reading rooms was implemented. This improves understanding of users' areas of interest and allows the most effective management of the Library's collections.

Volunteers

In 2013–14, the Library's 146 volunteers gave 7245 hours of their time to support collections, events and the public tours program. Family programs, audio transcription for the website and tour guides were key growth areas in the volunteers program. Training has been delivered to 20 new tour guides and community programs volunteers whose efforts will support the Victor Hugo exhibition.

The public tours program conducted 403 tours for 3257 visitors to the Dome Galleries; Ned Kelly; *Rome: Piranesi's vision*; *Free, secular and democratic: building the Public Library 1853–1913*; and the ever popular Dome to Dungeons building tour.

Our team of audio-transcriber volunteers received an Arts Victoria Leadership Award for Volunteers for their work in transcribing the Library's public talks into written form. These transcripts are published on our website to make them accessible to a wider range of the Library's users.

Collections and content

Creating and curating unique, compelling collections and content that inspire curiosity and discovery

A central responsibility of the Library is to maintain, preserve and develop the State Collection for the people of Victoria. We aim to ensure that all Victorians can find, access and use the collection, information resources and services anytime, anywhere. We invite exploration of the collections through activities that include exhibitions, fellowships, publications and a range of content-driven workshops and events.

Collection development

During 2013–14, 46,827 items were added to the Library's collection and 222,036 bibliographic records were added to the catalogue.

Key acquisitions have included:

- a painting of heritage-listed Wattle House in Jackson Street, St Kilda
- a watercolour by Henry Burn, 1869, entitled *The Shores of Hobson's Bay*
- several magic blow books and sets of magic trade cards
- the diaries and notebooks, 1965–2011, of art critic, biographer and novelist Janine Burke
- additional papers from Sonya Hartnett, including drafts for the books *The Children of the King* and *The Midnight Zoo*
- *Aus Australien*, a rare print portfolio produced during Australia's bicentenary, which includes artists Richard Dunn, John Lethbridge, Mike Parr, Peter Tyndall, Ken Unsworth, John Nixon, Vivienne Shark-LeWitt and Jenny Watson
- a letter giving an eyewitness account of the capture of Ned Kelly during the 1880 siege at Glenrowan, which was donated by the descendants of its author, Scotsman Donald Gray Sutherland.

The Library continued to emphasise collecting and providing access to digital resources with a number of significant purchases:

- Art and Architecture Archive
- a complete archive of *Vogue* magazine
- World War I primary sources related to recruitment, training, morale, censorship and propaganda
- completion of the four-part series on Victorian popular culture
- 19th-century UK periodicals covering a range of interests.

The purchasing of ebooks was extended during the year to become part of the Arts Collection. Online users are able to browse ebooks from home and download to their own devices for a loan period of seven days.

Key cultural donations were also made to the Library during the year.

Paul Bangay, noted Melbourne landscape garden designer, donated records, including approximately 1000 landscape design plans.

A collection of 50 South-east Asian manuscripts, mainly from Indonesia, including Qur'ans, commentaries, prayers, stories of prophets and other religious texts, were donated.

The papers of Tim Burstall, Australian film director, writer, producer and key figure in the Australian post-war film industry were also donated.

Collection digitisation

The Library's digitising program has continued to grow with an increasing number of digitised items being made available online, providing all Library users, both urban and regional, with ready access to the Library's rich and varied collections.

In 2013–14, we digitised over 82,000 items including maps, pamphlets, posters, negatives and newspapers. A range of Victorian history monographs from the La Trobe and Rare Book collections are now available online, along with early Melbourne street directories (1912–1952) published by Moulton, Morgans and Collins. We also commenced digitising the marvellous Theatre Programmes collection up to 1920.

In collaboration with Victoria's public libraries, the Library digitised 53 regional and suburban newspapers from 1914–1918, providing access through the National Library of Australia's (NLA) Trove database. With the support of the Sidney Myer Fund, the Rare Newspapers digitising project commenced this year. This is a three-year project that will see approximately 32,500 pages of high research value, hard-copy newspapers digitised and ingested into the NLA's Trove database each year.

The Library entered an agreement with the Alexander Street Press (ASP) to digitise selected manuscript items including diaries, journals and correspondence (totalling over 37,000 pages) to be included in the ASP publication *Early experiences in Australasia: primary sources and personal narratives 1788–1901*.

One particularly interesting digitising project undertaken was the scanning of the extremely rare and fragile bilingual *Chinese Advertiser* that was published in Ballarat during the gold rush. Only 11 issues (44 pages) are held over four institutions (State Library of Victoria, State Library of New South Wales, Ballarat Library

and the Gold Museum Sovereign Hill). These were brought together to be digitised and then ingested into the Trove database as part of an ongoing Chinese language newspaper pilot for the National Library of Australia.

The Library commenced digitising the *Journal of Commerce of Victoria and Melbourne* (1858–1932) with CPA Australia, as part of a larger Australian Research Council funded program of work to digitise the organisation's archives.

A three-year project funded by the RE Ross Trust to selectively create high-resolution digital copies of unique and vulnerable analogue oral history recordings was completed. Approximately 2500 cassettes, microcassettes and reels were digitised, resulting in 3.6 TB of data and associated metadata. In addition to the digitisation project, works are currently underway to make components of the digital material available via the Digital Object Management System (DOMS), where copyright permissions allow.

Collection storage

In 2013–14, a total of 6.5 kilometres of collection material was moved across both the main Library building at Swanston Street and the Library's Offsite Storage Facility near Ballarat. A capital intensive project to manufacture and install 4 kilometres of onsite compactus book storage as the next phase of the Collection Storage Masterplan was completed. The Arts music scores collection moved to an alternative space with additional storage capacity to allow for the Alliance Française community lab to open. All boxes of current periodicals on open access were barcoded to enable usage to be monitored. The Family History and Newspaper collections moved into their new combined reading room. In preparation for these moves, all onsite overseas newspapers, and selected interstate and Victorian newspaper titles moved from Swanston Street to the Offsite Storage Facility near Ballarat to enable space for approximately 22,000 interstate microfilms to move from open access to closed access.

Phase one of the Newspaper Reconfiguration Project was completed at the Ballarat Offsite Store. This strategic initiative to extend the life of the Offsite Storage Facility near Ballarat has three phases. Interstate newspapers form phase one, Victorian newspapers form phase two and overseas newspapers form phase three. During the year, an estimated 44,500 thousand items from the interstate newspaper collection were repositioned to create an extra 1 kilometre of storage footprint. Similar work has started on adjustment of the overseas and Victorian newspaper collections.

Conservation and preservation

In 2013–14, the Library conserved and preserved over 67,000 collection items, and assessed and cleaned 180 collections through the quarantine store. Work ranged from simple preservation rehousing through to complex projects and conservation treatments.

Preservation work was undertaken on the Kevin James Vinyl Record Collection, the Tarr Matchbox Label Collection, the Harvey Glass Plate Negative Collection and the Scholastic Dromkeen Children's Literature Collection. Rehousing of the large Paul Burke Sound Recording Collection was completed. During the year major conservation treatments were completed on two illuminated manuscripts: a late-13th-century edition of the Vulgate Bible containing a list of interpretations of Hebrew names, and the 1497 *Commentaries on the Book of Isaiah* by Jerome, which is now available online.

Exhibitions

Our exhibition program provides an opportunity for visitors to directly experience our heritage collections. Our three permanent exhibitions in the Cowen Gallery and two Dome Galleries are refreshed annually. A particular highlight in the *Changing face of Victoria* exhibition was the addition of Donald Gray Sutherland's previously undiscovered letter giving an eyewitness account of Ned Kelly's capture. The *Mirror of the world: books and ideas* exhibition was enhanced with the inclusion of sculptures from the recently acquired Scholastic Dromkeen Children's Literature Collection, as well as books of poetry by Lebanese author Gibran Khalil Gibran (1883–1931) and a bust of Gibran sculpted by Natasha Brakhya, which was generously donated by the Victorian branch of the World Lebanese Cultural Union.

Temporary exhibitions and displays over the past year continued to celebrate the Dome Centenary. Our main Dome Centenary exhibition *Free, secular and democratic: building the Public Library 1853–1913*, sponsored by Bates Smart and curated by Professor Harriet Edquist – Professor of Design History at RMIT University and Director of the RMIT Design Archives – told the story of the ideas behind the founding and first 60 years of the Library and the other institutions here. It closed in February 2014 after receiving 47,570 visitors.

A smaller exhibition in the Blue Rotunda – *Enchanted dome: the Library and imagination*, which closed in July – featured the work of the many artists, authors and creative people who have found inspiration in our spaces and collections.

A selection of writers who were supported by Creative Fellowships from the Library were also showcased in

a La Trobe Reading Room display – *A creative decade: 10 years of Creative Fellows*. Nicholas Jones' *A conspiracy of cartographers* showed book sculptures that were created during his fellowship in 2012–13. The information centre walls provided a broad canvas to display Angela Cavalieri's large-scale print works inspired by the madrigal scores of Italian composer Monteverdi and the architectural prints of Giovanni Battista Piranesi, also created during her fellowship in 2012–13.

In a joint effort, the Library partnered with Asialink, the University of Melbourne, Australia India Institute and the Melbourne Writers Festival to present *The Bookwallah*, a pop-up display from July to September documenting the journey of five Australian and Indian writers as they toured Indian and Australian literary festivals, libraries and bookstores accompanied by their travelling library.

Our next major exhibition was *Rome: Piranesi's vision*, curated by art historian and former Redmond Barry Fellow Colin Holden, which presented the works of Giovanni Battista Piranesi (1720–78) from the Library and the University of Melbourne's library collections. It ran from February to June and received 83,879 visitors, far exceeding targets. Co.As.It, *Il Globo* and Avant Card were important supporting partners; the Italian Institute of Culture and ASA Cultural Tours were much valued program partners. The exhibition was supported by several joint programs and events including:

- an international conference, *Piranesi and the impact of the late baroque*, at the Australian Institute of Art History at the University of Melbourne
- a free public lecture by leading photographic artist Bill Henson
- *The Piranesi effect*, an exhibition of contemporary Australian artists whose work reflected Piranesi's work, curated by Jenny Long at the Ian Potter Museum of Art at the University of Melbourne
- *A traveller's dream: Piranesi's Rome today*, an exhibition of photographs by award-winning Italian photographer Graziani Panfilì at the *Istituto Italiano di Cultura* (Italian Institute of Culture) in South Yarra.

In March we opened a smaller exhibition, *Once upon a time: a world of children's picture book art*, that celebrates the imaginative world of children's picture books from the Scholastic Dromkeen Children's Literature Collection. This charming exhibition, especially for young learners and families, will run until October, overlapping with our next major exhibition – *Victor Hugo: Les Misérables – From Page to Stage* – opening in July 2014.

Fellowships program

The Library's Creative Fellowship program provides opportunities to a range of creative artists and

researchers to work innovatively with the unique collections held by the Library. Recipients are provided with office space in which to work over an extended period and receive a grant of \$12,500.

In 2013, we celebrated ten years of our successful Fellowships program. A display of publications associated with fellowships was mounted around the dais in the La Trobe Reading Room and Fellows were at the centre of a special creative showcase event held in November 2013 to conclude the Dome Centenary celebrations.

A consultant was engaged to conduct a review of the program, which concluded that it is central to the Library's engagement with the wider community. As a result, the Library Board of Victoria endorsed its ongoing support of the program. In 2014, two new fellowships were offered — the inaugural Children's Books Fellowship and the Centenary of World War I Fellowship.

The following Creative Fellowships were awarded by the Library Board in June 2014:

- Sue Broadway for circus and vaudeville in Victoria — history, artists, audiences, venues, events past and present, a performance work and installation
- Petr Herel for *Monsieur Teste's library*, an artist's book
- Sharon Huebner for *Noongar and Koories: interpreting the silences of a colonial archive*, a book manuscript
- William Kelly for *Fellow travellers: an unfolding story*, an artist's book
- James Saunders for research and writing for a television drama series set in Melbourne in the 1880s to 1890s
- Malcolm Turner for researching the historical, social and artistic background to the centenary of Australian animation, a film essay and documentary.

The inaugural Centenary of World War I Fellowship was awarded to Jill Jolliffe for *Public images of World War I: the myth and the reality*, a scholarly essay on media coverage of World War I.

The inaugural Children's Books Fellowship was awarded to Theresa O'Connor for *Popuppets! Pop-up books and monster puppets*, community engagement and public performance.

The biennial Berry Family Fellowship was also awarded this year. The fellowship provides a grant of \$12,500 funded by a bequest from the Berry family for projects exploring the social history of Melbourne and Victoria and was awarded to Minna Muhlen-Schulte for *Crossing enemy lines: Australian-German identity in wartime Victoria*, an article for publication and radio program.

The Redmond Barry Fellowship is offered in partnership with the University of Melbourne, with the recipient making substantial use of the collections of both institutions. With a grant of \$20,000 from the university, this fellowship was awarded to Dr Michael Davis for *The Greg Denning papers: using ethnographic history in writing about Aboriginal/European environmental encounters*, a project delivering an article for publication and a reading guide.

The Georges Mora Foundation Fellowship provides a grant of \$10,000 from the Georges Mora Foundation, the use of a room at the Library and a residency at La Rochelle in France. The fellowship was awarded to Inez de Vega for *DISORDER!: Lillian Temple-Dumble performing transgression in Australian art*, a series of performances and associated video works.

The Library's AGL Shaw Summer Fellowships provide a \$1200 grant for students undertaking their first higher degree to work for four weeks with the extensive collections held by the Library. There were three recipients in 2014: Gabriel Maddock, Australian Catholic University (BA Honours); Rula Paterson, University of Melbourne (Master of Arts and Cultural Management); and Dan Tout, Swinburne University (PhD).

The annual RE Ross Trust Playwrights' Script Development Awards are administered by the Library 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 at the Library, and an opportunity to be selected for PlayWriting Australia's National Script Workshop.

The 2014 winners were:

- Dan William Lee for *Bottomless*
- Alexandra Macalister-Bills for *Peripheral Damage*
- Dan Giovannoni and Amelia Evans for *Mad as a Cute Snake*

The judging panel awarded Patricia Cornelius a commendation for her work *SHIT*. Dan William Lee has also been invited to attend a PlayWriting Australia National Script Workshop.

Publications

The Library's publishing program supports the publication of books that draw upon our collections by pursuing partnerships with commercial publishers.

Books published during 2013–14 in association or with assistance from the Library included:

- *Circus and stage: the theatrical adventures of Rose Edouin and GBW Lewis*, Mimi Colligan, Monash University Publishing, August 2013

- *Decade: 1970–1980*, in collaboration with the Rennie Ellis Photographic Archive, edited by Stephen Dupont with essays by Paul Cox and Susan van Wyk, Hardie Grant Books, August 2013
- *Piranesi's grandest tour: from Europe to Australia*, Colin Holden, NewSouth Publishing, February 2014
- *A way with the fairies: the lost story of Ola Cohn*, edited by Barbara Lemon (Creative Fellow 2010), RW Strugnell, March 2014
- *Decadent: 1980–2000*, in collaboration with the Rennie Ellis Photographic Archive, with essays by William Yang and Robert MacFarlane, Hardie Grant Books, April 2013
- *Cultured colonists: George Alexander Gilbert and his family, settlers in Port Phillip*, Margaret Bowman (Creative Fellow 2011), in association with the Athenaeum Library, Australian Scholarly Publishing, April 2014.

Coinciding with the Dome Centenary in November 2013, we published our first ebook, *Building a new world: a history of the State Library of Victoria 1853–1913* by Harriet Edquist, Professor of Architectural History, Director of the Design Archives at RMIT University and curator of our exhibition *Free, secular and democratic: building the Public Library 1853–1913*. This free ebook is available online at <http://building-a-new-world.slv.vic.gov.au>.

The Library's refereed journal, *The La Trobe Journal*, will continue to be published biannually as part of the publishing program.

Place and space

Creating a flexible and community-centred onsite experience

Building development

There are a number of building projects underway at the Library. In May 2013, the State Government granted \$6.7 million for works to preserve and protect the dome and Swanston Street facades. This work commenced in May 2014 and will continue until June 2015. The grant also funded sprinkler pipe replacement and minor refurbishment of the northeast courtyard, which re-opened in April 2014 to house the newly integrated Family History and Newspaper reading room.

The Library has received a \$50,000 grant from Arts Victoria to develop strategic planning for upgrades to central plant and air-conditioning equipment. This planning is now well underway.

Refurbishment of the northwest courtyard – now The Courtyard – has created a purpose-designed venue for Library programs and can also be booked for private events. At other times it will function as a lounge space

and provide additional breakout space for the Library's Conference Centre.

In June 2014, Readings expanded further into Palmer Hall to provide the bookshop with more space, including a bay dedicated to Library publications.

Community engagement in place and space

The Library introduced giant chessboards on the forecourt for public use, which are in constant use by people from a broad demographic. This activity has helped promote and increase use of the MV Anderson Chess Collection. Due to its popularity, the public have requested that the outdoor chess sets be available all year round.

Additional programs on the forecourt over the first half of 2014 included an extension of the Public Libraries' Summer Read program. Crates of books from this year's reading list were provided for the public to read while reclining in the Library's now iconic red beanbags. Authors from the Summer Read selection gave author readings on the lawn and signed books for the public.

A significant service improvement this year has been the merging of the Family History and Newspaper collections into a single location. This combined service has enabled the consolidation of staff expertise while also delivering improved equipment support to users.

During the year, a review of the Library's baggage and access policy was undertaken, following clear messages from many users seeking a more relaxed entry to the Library. The new access guidelines allow for larger bags and support security staff in offering a friendlier face to visitors.

A refreshed Play Pod was opened for our youngest learners, with families dropping in daily to read and create stories together. The early-years literacy program continues, with regular Storytime and Baby Bounce events attracting up to 300 participants each week.

Collaboration

Developing our strategic partnerships by generating shared value and delivery

The past year has been a fruitful one for extending existing partnerships, and developing new collaborations with a range of institutions and organisations.

Commercial partnerships

The Library has an ambitious plan to grow non-government revenue through enhanced commercial activities and by developing close working relationships with partners.

Our venue hire operation hosted over 360 external events during the year and achieved a 22 per cent growth in the hire of its unique venues. Sales and marketing activities in the wedding market have also successfully driven growth.

We provided high-quality image reproductions from the *Rome* and *Once upon a time* exhibitions for sale through Readings bookshop and 1000 Museums. We are also developing a range of merchandise to support upcoming exhibitions, including *Victor Hugo: Les Misérables – From Page to Stage*.

The Library's successful partnership with Readings has resulted in a recent expansion of the shop. The new-look shop includes an improved children's section, as well as dedicated space to display the Library's publications and expanded range of merchandise.

We continued to work closely with Mr Tulk cafe, SmarteCarte locker service and BEAR Solutions, who deliver the public copying service. The services provided by these partners make a valuable contribution to visitors' experience of the Library.

Government partnerships

The Library continued to support the hosting, development and maintenance of the multilingual website promoting study in Victorian schools for the Department of Education and Early Childhood Development, International Education Division.

We also continued our shared services arrangements with other agencies in the government's arts portfolio. These included hosting the Aurion database, which provides human resource management and payroll services for the National Gallery of Victoria, hosting the Voyager Library Management System for Museum Victoria, providing internet connectivity services to the Australian Centre for the Moving Image and Museum Victoria, and delivering ICT, building and facilities maintenance and related services to the Wheeler Centre.

We worked closely with Victorian Major Events Company on the second White Night Melbourne, which was a tremendous success, and have received great support from Tourism Victoria for our forthcoming exhibition *Victor Hugo: Les Misérables – From Page to Stage*.

Cross-institutional and education provider partnerships

The Library works with a range of partners to build and develop initiatives that promote professional skills and learning within the organisation, as well as improve

connections and access to content and services for the broader community.

Support has been maintained for a cross-institutional mentoring program with the university sector. Now in its fourth year, this collaborative partnership is available to staff from the Library, CAVAL, Federation University, Monash University, Swinburne University, University of Melbourne, La Trobe University, RMIT University and Victoria University.

The 2014 Redmond Barry Fellowship was offered in partnership with the University of Melbourne, with the recipient making substantial use of the collections of both the university and the Library. The Library also worked closely with the University of Melbourne and other cultural institutions to deliver the *Rome: Piranesi's vision* exhibition and its associated program of events.

Our partnership publishing program produced a number of books this year in conjunction with NewSouth Publishing (University of New South Wales) and Monash University, as well as other commercial publishers.

The Library contributes significantly to peak bodies such as National and State Libraries Australasia (NSLA), hosting the secretariat and providing specialist staff to support projects focusing on digital collection development, legal deposit, digital preservation, open access and copyright, and Indigenous services and collections.

International relationships

The Library has strengthened our support for international cultural cooperation and collaboration, and during the year hosted professional development visits from a range of overseas organisations. Over the last year and more we have also built strong relationships with a number of international cultural institutions who have generously supported the forthcoming *Victor Hugo: Les Misérables – From Page to Stage*. We are particularly grateful to the Bibliothèque nationale de France, Maisons de Victor Hugo in Paris and Guernsey, Musée Carnavalet, Musée Rodin and Maison Littéraire de Victor Hugo.

People and capabilities

Fostering an accountable, collaborative, dynamic and innovative learning culture

Professional development

Leadership development in the sector was supported through the rollout of a six-month Shared Leadership program for 20 emerging public library and State Library leaders, with the \$30,000 Barrett Reid Scholarship being awarded to Susie Prestney from Goldfields Library Corporation.

Professional development of public library staff was supported through seminars such as 'The evolving space: makerspace' and completion of the Frontline online training in reader-centred customer service.

In 2013–14, a skills framework for all public library staff was developed and a skills audit of the workforce undertaken to identify priority areas for development over the next three years.

New staff awareness and compliance training was implemented during the year, using an online delivery platform to guide Library staff through a range of corporate policies, including bullying and harassment, human rights, equal opportunity and privacy. The program won a Leadership in Business Improvement Award at the recent Arts Portfolio Leadership Awards.

A new Managers' Toolkit program of workshops and facilitated discussions was introduced to assist middle managers and supervisors to deal with a range of human resources and related organisational issues.

Library staff participated in a Personal Learning Network from April to June, collaborating with colleagues through a range of online tools and building an understanding of the changing online environment in which the Library operates.

More broadly, in 2014 the Library completed the current three-year plan of collaborative initiatives with Victoria's public libraries. Projects included the High Road to Reading author events and the Summer Read reading program, as well as research on changing user needs and industry skills that will inform the future direction of the sector. The Library Board of Victoria and Public Libraries Victoria Network revised the *Framework for Collaborative Action* and a new three-year plan of initiatives was agreed upon for 2014–16, re-committing to this important partnership and our common aim of delivering excellent library and information services to all Victorians.

Health and safety

The Library's occupational health and safety management systems were successfully audited for re-accreditation under the SafetyMap Quality Assurance Standard in May 2014. Re-accreditation is required every three years.

The Library continued to enhance preparedness for emergency response by conducting an emergency evacuation exercise involving all staff and public in May 2014. The exercise was observed and commended by representatives of Victoria Police and the Metropolitan Fire Brigade.

Sustainable financials and funding

Developing a scalable and sustainable financial future

Improving efficiency and decision-making

A progressive upgrade to the Oracle financial management system is now complete, delivering improved business modelling and reports to Board and management. Electronic procurement is also operational throughout the Library, allowing continued improvements to our procurement compliance capability. The reporting interface between our systems and the investment portfolio manager platform has also been improved.

Risk management

Regular risk management reporting and assessment programs have continued throughout the year to enable completion of the annual risk attestation process. At the end of the current financial year the Library will complete a second insurance attestation, in conjunction with the Victorian Managed Insurance Authority.

Support and sponsorship

The State Library of Victoria Foundation is responsible for generating private sector support for the Library and growing the endowment, which provides an ongoing income stream for Library acquisitions, publications and programs.

Under the stewardship of the Foundation Council, chaired by Christine Christian, the Foundation increased private sector support for the Library to over \$1,300,000 in cash, and \$500,000 in in-kind support for Library collections, learning services, exhibitions and events, and community programs. A total of \$1,663,572 was allocated from Foundation income for Library initiatives.

We are fortunate to enjoy committed support through our Friends of the Library membership program. This year we saw our numbers grow to over 1000. In addition, we enjoy the particular support of a number of individuals whose generosity enables the Library to build and preserve our collections, deliver community programs and produce a suite of publications that help build awareness of the Library and our work in the community.

This year, the Redmond Barry Bequest Society – the Library's bequest program – welcomed Sir James Gobbo as its official patron. Gifts pledged through this program provide an ongoing income annuity to the Library and increase our capacity to make significant acquisitions, as well as provide invaluable support for our Creative Fellowship program. In 2013–14, we paid tribute to former Library President Leigh Masel, the Estate of Russell Henry Beedles and the Estate of Shirley Horne, whose legacies will continue through their gifts to the Library.

Trusts and Foundations have assisted the Library in making our collections more accessible to many areas of the community. In 2013–14, a number of digitisation initiatives were funded, as were community programs such as Open Access and the RE Ross Trust Playwrights' Script Development Awards. We also were fortunate to acquire new works for our collections, including a tapestry commissioned in the memory of former Trustee of the Library, Father William Hackett SJ.

The Library's corporate membership program provides an important platform for corporate and academic institutions to support the Library. We thank the following organisations for their support: Alliance Française, Australians Studying Abroad, Bates Smart, Ellerston Capital, Energy Australia, Evans & Partners, Flexigroup, Lazard, Lovell Chen, Maxxia, Monash University, RMIT, Herbert Smith Freehills, SG Hiscock and Tabcorp.

The Library Board have committed personally to funding the redevelopment of Palmer Hall, as the first stage in the redevelopment of the Library. Each Board member has pledged a personal donation to transform the foyer and Palmer Hall into an integrated 'Welcome Zone' that will incorporate a contemporary gallery space, self-help kiosks, and a lounge space for pop-up talks and events. We thank the Board members listed below for this significant and unprecedented act of leadership.

We also secured the support of a number of sponsors to assist in the development and delivery of exhibitions and events throughout the year. Our thanks to these committed supporters who are detailed below.

Donors and sponsors

The State Library of Victoria gratefully acknowledges the generous support of the following individuals, families and organisations.

Foundation Council

Christine Christian	Stephen Kerr
David Evans	Richard Lourey
Jane Hansen	David Mullaly
Michael Kay	Maria Myers AO
Doug Kefford AO	John Wylie AM

Palmer Hall refurbishment donors

Bruce Akhurst	Dennis Goldner
Christine Christian	Eddie McGuire AM
David Evans	Karen Quinlan
Merran Evans	John Wylie AM and Myriam Wylie
Petro Georgiou AO	

Trusts and Foundations

ANZ Trustees Foundation (George Alma Bequest)
Australian Communities Foundation (Koshland Innovation Fund)

Eldon Hogan Bequest
The Gordon Darling Foundation
Lord Mayor's Charitable Trust (Balmford Fund)
The Mackintosh Foundation
The Marjorie May Kingston Bequest
The Marjorie Ramsay Bequest
The Myer Foundation
The Parncutt Family Foundation
The Perpetual Foundation (Sir Wilfred Brookes Charitable Fund)
The RE Ross Trust
The Sirius Foundation
The Stuart Leslie Foundation

Donors \$5000+

Mrs Penelope Harris
Wallace and Joan Kirsop
Mr John Drury and Dr Dianne Reilly AM
2 anonymous

Donors \$500+

Associate Professor John Arnold
David Byrne
Charles G Clark
Ann Cole
Professor Peter Colman and Dr Anne Colman
Julie Ann Cox
Peter Di Sciascio
Dr John Dwyer QC
Jean Hedges
Roger B Heslop
Gillian Hoysted
R Hunt
Dr Judith Kinnear
Vivien Knowles
Alison Leslie
Peter and Margaret Lothian
Peter Lovell
Georgina Macpherson
Dr Trevor and Moyra McAllister
Ian and Margaret McKellar
Chris Mouzouris
Mrs Maria Myers
Jon Peacock and Darren Lockie
Margaret Plant
Professor Dimity Reed AM
Ian Renard
Michael and Angela Rodd
Professor Robert and Ms Josephine Shanks
Adrienne Shaw
Professor Peter Sherlock
John Stanley-Rogers
Noel and Jenny Turnbull
28 anonymous

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Financial summary

Summary of financial results with five-year comparatives

	2014 \$000	2013 \$000	2012 \$000	2011 \$000	2010 \$000
Revenue from government	80,565	81,529	81,423	80,930	79,139
Other revenue	11,765	9,455	7,454	9,398	13,294
TOTAL REVENUE	92,330	90,984	88,877	90,328	92,433
TOTAL EXPENSES (excluding depreciation)	(86,744)	(86,265)	(87,986)	(88,947)	(90,795)
NET RESULT FOR THE YEAR BEFORE DEPRECIATION	5,586	4,719	891	1,381	1,638
DEPRECIATION	(13,234)	(13,300)	(14,935)	(7,945)	(8,139)
TOTAL EXPENSES	(99,978)	(99,565)	(102,921)	(96,892)	(98,934)
NET RESULT FOR THE YEAR AFTER DEPRECIATION	(7,648)	(8,581)	(14,044)	(6,564)	(6,501)
CASH FLOW FROM OPERATING ACTIVITIES	(1,830)	2,648	(1,284)	1,561	(1,584)
TOTAL ASSETS	900,207	908,616	917,039	932,312	807,315
TOTAL LIABILITIES	9,240	10,354	10,453	10,798	9,588

Notes

- 1 Revenue from government includes \$41.403m of capital assets charge and \$1.245m capital revenue.
- 2 Other revenue includes revaluation of long-service leave liability due to changes in bond rates, net gain on sale of financial instruments and net gain on sale of on non-financial assets.
- 3 Total expenses include \$41.403m of capital assets charge and expenses from transactions.
- 4 The above summary should be read in conjunction with the accompanying financial statements.

Current year financial review

- The Library Board achieved a net result after depreciation for 2013–14 of \$7.648m deficit compared to \$8.581m deficit for 2012–13.
- The Library Board achieved a net result before depreciation for 2013–14 of \$5.586m surplus compared to \$4.719m surplus for 2012–13.

Factors contributing to the net result are outlined below.

- Revenue has increased by \$1.346m to \$92.330m and has been affected by the following items:
 - revenue from government was reduced by \$2.2m in recurrent funding
 - capital revenue from government included \$1.245m in funding primarily for the Facades Conservation and Repair Works project
 - trading revenue has decreased to \$1.7m in 2013–14 mainly due to lower revenue from events, venue hire, commissions and rental income
 - donations are higher in 2013–14 due to a higher value of items donated to the collection (\$2.2m compared to \$1.3m in 2012–13); also the Dromkeen collection was added to the Library collection and was valued at \$2.588m, and included in donation revenue in 2013–14
 - investment revenue has continued to decline as interest rates and funds under investment have declined.
- Expenses from transactions for 2013–14 have been maintained at \$99m.
- The revaluation of long-service leave liability due to changes in bond rates resulted in a loss of \$47,417 (2012–13: \$156,111 gain).
- Net assets have decreased primarily as a result of increased building depreciation rates adopted in 2011–12.
- Total liabilities have been reduced to \$9.2m.

2013–14 Key Performance Indicators

The Library's 2013–14 planning framework was designed to achieve outcomes articulated in the *Corporate Plan 2013–16*.

Description	Unit of measure	Actual 2012–13	Target 2013–14	Actual 2013–14
Onsite visitation ¹	Number	1,658,756	1,700,000	1,775,885
Website visitation ²	Number	3,271,742	3,577,380	3,384,738
Items added to the Collection that celebrate and explore our heritage	Number	25,495	33,334	51,872
Visitor satisfaction ³	%	87%	90%	83%

Notes

- 1 Onsite visitation refers to annual visitation to the State Library building located at 328 Swanston Street, Melbourne. Each year the Library sets an ambitious target above the BP3 target of 1,500,000 onsite visits, as outlined in the Library's Service Agreement with the Minister for the Arts. The Library experienced a 7% increase in visitation in 2013–14. We continue to engage with new and existing audiences through our diverse program and service offer. Highlights included White Night Melbourne (which attracted over 21,000 people to the Library), the Children's Book Festival (attended by over 13,000 children and families), and the popular exhibition *Rome: Piranesi's vision* exhibition (which hosted 83,879 visits).
- 2 Website visitation is measured using online user sessions, which is the arts portfolio agreed methodology for measuring online visits. A user session is defined as the moment a single visitor logs on to (enters) a website until they log off (exit), irrespective of the number of pages visited within this time. Therefore a user who is online for 30 minutes, and who looks at ten pages, is counted as one user session. Visits to hosted websites are not included in this measure. Each year the Library sets an ambitious target above the BP3 target of 3,000,000 online visits, as outlined in the Library's Service Agreement with the Minister for the Arts. The Library experienced 3% growth in 2013–14.
- 3 Visitor satisfaction is measured via the annual intercept survey.

Service Agreement with the Minister for the Arts

The Service Agreement with the Minister for the Arts establishes a range of performance indicators under the Arts Portfolio's output framework.

Output framework

Schedule D part 2a: Output framework – portfolio key performance indicators

Description	Unit of measure	Target 2013–14	Actual 2013–14
OUTPUT GROUP 1 – Guardianship of the State Collection			
OG1a Collection development			
Acquisitions and deaccessions in accordance with collection development policies/strategic directions	%	100%	100%
OG1b Collection management			
New acquisitions (received in current period), electronically registered to agreed standards and targets	%	93%	100%
BP3 Agency collections storage meeting industry standard	%	99%	99%
OUTPUT GROUP 2 – Access and participation			
OG2a Community engagement activities			
Events	Number	1,168	1,236
BP3 Access – attendances/users	Number	1,500,000	1,775,885
BP3 Volunteer hours ¹	Number	3,400	7,245
Volunteers	Number	130	146
BP3 Members and Friends ²	Number	870	1,098
OG2b Community use of facilities			
Events	Number	400	385
OG2c Education programs			
Events – sessions, performances, workshops	Number	770	755
BP3 Students attending educational programs	Number	25,700	28,760
OG2d Exhibitions and displays			
Events – new permanent or temporary exhibitions	Number	7	7
Attendees	Number	475,000	530,664

OG2h Public access to collection/information

Virtual access to collection	%	97%	93%
BP3 Access – Library website visitation	No. of user sessions	3,000,000	3,384,738

OG2i Visitor experience activities

BP3 Visitors satisfied with visit	%	90%	83%
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OUTPUT GROUP 3 – Sector development

OG3a Professional development and other services

Collaborative projects with NGOs/agencies	Number	40	38
Touring program/exhibitions available from the arts body in reporting period ³	Number	229	119
Regional centres receiving touring programmes/exhibitions offered by the arts body	Number	29	28
Loans to NGOs/agencies from the collection	Number	2,368	2,494
Investment in staff training	\$/Staff	450	470

OUTPUT GROUP 4 – Distinctive and iconic buildings, sites and facilities

OG4a Facility development

Facility development plan currency	Plan currency	1	1
Conditions of assets as a percentage of 'as new'	%	75%	75%

Notes

- 1 Volunteers contributed 7245 hours in 2013–14, more than twice the target contribution. The Library has engaged more than 90 volunteers in a variety of roles including Library tours, cataloguing and preservation. An additional 39 volunteers have been recruited to support the upcoming *Victor Hugo: Les Misérables – From Page to Stage* exhibition.
- 2 The number of members and friends exceeded the annual target by 26%. The Foundation membership rebranded as Friends of the Library. This and associated campaigns have seen an increase in renewals and new subscriptions.
- 3 The Library delivered 119 touring programs in 2013–14. A significant component of the Library's strategy for delivering programs in outer metropolitan Melbourne and regional Victoria includes schools programming. These programs do not contribute to this measure.

Acquisitions statistics 2013–14

VOLUMES ADDED TO STOCK JULY 2013 – JUNE 2014

	Method of acquisition					
	Purchase	Donation	Govt donation	Legal deposit	Total 2013–14	Total 2012–13
Monographs	9,003	10,548	1,716	4,758	26,025	22,356
Newspapers	186	48	1	565	800	1,279
Other serials	1,902	357	1,164	3,383	6,806	6,758
TOTAL VOLUMES	11,091	10,953	2,881	8,706	33,631	30,393

CONSOLIDATED STOCK HOLDINGS 2012–14

Stock holdings (volumes)	30 June 2012	30 June 2013	30 June 2014
Newspapers	105,643	106,922	107,722
Monographs and serials	2,107,542	2,136,656	2,169,487
TOTAL	2,213,185	2,243,578	2,277,209
Maps	112,170	112,727	113,601
Sound recordings	40,224	41,479	52,339
Video recordings	5,855	6,133	6,275
Exhibition catalogues	146,353	151,964	159,636
Theatre programs (linear metres)	91	93	95
Ephemera (linear metres)	72	74	75
Manuscripts (linear metres)	7,602	7,729	7,847
Pictures	872,563	911,802	963,799

CONSOLIDATED ELECTRONIC STATISTICS 2012–14

	30 June 2012	30 June 2013	30 June 2014
PANDORA (online titles and websites) ¹	9,732	10,822	11,438
Ebooks (titles) ²	1,106	1,570	4,795
Electronic collections ³	23	24	32

Notes

- 1 PANDORA is an archive of Victorian digital publications and websites gathered from the internet.
- 2 Ebooks represent ebook titles purchased and accessible via the catalogue.
- 3 Electronic collections represent themed or single-format collections purchased by the Library.

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 established under Section 16 of the *Libraries Act 1988*. The Minister for the Arts during the reporting period has been the Hon. Heidi Victoria MP.

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 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 bibliographic 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 services 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 the 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.

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, information technology, legal 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 7 occasions during the period 1 July 2013 to 30 June 2014.

Mr John Wylie AM, President (attended 7 meetings)
Mr Stephen Kerr, Deputy President until 23 May 2014 (attended 6 meetings)
Mr Bruce Akhurst (attended 6 meetings)
Ms Christine Christian (attended 6 meetings)
Mr David Evans from July 2013 (attended 1 meeting)
Prof. Merran Evans (attended 7 meetings)
Mr Petro Georgiou AO (attended 6 meetings)
Mr Dennis Goldner (attended 6 meetings)
Mr Eddie McGuire AM (attended 3 meetings)
Ms Karen Quinlan (attended 7 meetings)

Ms Sue Roberts (Chief Executive Officer)

Pecuniary interests

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

About Board members

John Wylie AM, President

John Wylie was appointed President of the Library Board in May 2012. He chairs its Building Redevelopment Committee, Executive Appointments and Remuneration Committee and is a member of its Finance Committee and the Foundation Council.

John is Chief Executive Officer of Lazard Australia, a leading global corporate advisory firm. He was previously Chairman of Investment Banking at Credit Suisse First Boston Australia and has worked extensively in global financial markets including New York and London.

John is involved in a wide range of not-for-profit community activities. He is Chairman of the Australian Sports Commission and a Trustee of the global Rhodes Scholarship Trust, he is a former Chairman of the Melbourne Cricket Ground Trust and board member and Honorary Treasurer of the Florey Neuroscience Institutes in Melbourne.

John holds an M.Phil in Management Studies from Oxford University, where he was a Rhodes Scholar, and a Bachelor of Commerce with First Class Honours from the University of Queensland.

Stephen Kerr

Stephen Kerr was appointed to the Library Board of Victoria in August 2005 and was reappointed in 2008 and 2011. Mr Kerr retired from the Board in May 2014 having completed three terms as a board member. He has been a member of the State Library of Victoria Foundation from its inception and is a past chair.

Stephen has worked in the communications industry for more than 25 years and advises some of Australia's most prominent companies, sporting clubs, industry associations, and cultural institutions. He was Director of International Public Relations and its successor companies IPR Shandwick and Shandwick International. He was Managing Director of Weber Shandwick Worldwide's Australian operations and is the founder and Chief Executive of the Public Relations Exchange.

Stephen was Deputy President of the Library Board and chair of the Finance Committee until May 2014 and remains a member of the Finance Committee, Foundation Council and Building Redevelopment Committee.

Bruce Akhurst

Bruce Akhurst was appointed to the Library Board of Victoria in May 2010 and reappointed in June 2013. He is a member of the Executive Appointments and Remuneration Committee, and chair of its Digital Strategy Committee.

Bruce is Executive Chairman of Adstream, an international services organisation for the advertising industry, Director of private investment company Paul Ramsay Holdings Pty Ltd and Council Member of the RMIT University Council. He was previously Chief Executive Officer of Sensis Pty Ltd, Chairman and Director of Foxtel and a Director of Soufun, the leading Chinese real estate portal. A lawyer by training, Bruce left relinquished the position of managing partner with Mallesons Stephen Jaques to join Telstra in 1996 where he worked for 16 years in numerous senior positions.

Christine Christian

Christine Christian was appointed to the Board in August 2013. She is chair of the State Library of Victoria Foundation, chair of the Finance Committee and a member of the Building Redevelopment Committee. Christine is a Director of Members Equity Bank, Private Media and the New York-based Powerlinx Inc. She is a member of the board of UNICEF Australia, the Melbourne International Comedy Festival, and the Policy and Economic Research Council. Christine was appointed President, Chief Executive Women in March 2013.

David Evans

David Evans was appointed to the Board in July 2013 for a three-year term. He was appointed chair of the Audit and Risk Management Committee in May 2014, and is a member of the Foundation Council. David is the Executive Chairman and founder of Evans and Partners Pty Ltd. He has worked in a variety of roles within JB Were & Son, and then the merged entity Goldman Sachs JBWere Pty Ltd, including Managing Director and Chief of Staff. He is a Director of Export Finance and Insurance Corporation (EFIC), Seven West Media and The Shane Warne Foundation. David is also Chairman of the Cricket Australia Investment Committee and Board member of the Victorian Police Corporate Advisory Group and the State Library of Victoria Foundation Council.

Professor Merran Evans

Merran Evans was appointed to the Board in June 2009 and reappointed in 2012, chairing the Audit and Risk Management Committee until May 2014. Merran is currently a member of the Audit and Risk Management Committee and the Collections Committee. She is a Pro Vice-Chancellor at Monash University, where her previous administrative appointments include Pro-Vice Chancellor (Planning and Quality) and Director of University Planning and Statistics and of Monash University's London Centre. Merran has been a member of many university, academic and management committees, as well as holding external and international memberships. Her research output includes a book and numerous contributions to econometrics, economics and statistical journals. She is a recipient of the Centenary Medal for services to education.

Petro Georgiou AO

Petro Georgiou was appointed to the Library Board in July 2011. He serves on its Executive Appointments and Remuneration and Audit and Risk Management committees. Petro was a member of the House of Representatives in the electorate of Kooyong from 1994 until 2010. He was chair of the Joint Standing Committee on Science and Innovation, State Director of the Victorian division of the Liberal Party, and Director of the Institute of Multicultural Affairs. He is Vice-Chancellor's Professorial Fellow at Monash University and the University of Melbourne.

Dennis Goldner

Dennis Goldner was appointed to the Board in May 2010 and again in June 2013. Dennis chairs the Board's Advisory Committee on Public Libraries and serves on its Audit and Risk Management Committee. Dennis has had experience at senior levels of both the Australian and Victorian public sector, working in the areas of public policy and competition economics, and trade and investment promotion. He retired from the Deloitte partnership in May 2009, having led the firm's government services practice in Victoria. He is currently national leader of corporate responsibility at Deloitte, chairs the Deloitte Foundation and Regional Arts Australia, is on the board of Regional Arts Victoria and is a board member and chair designate of Oxfam Australia. Dennis has an honours degree in Economics and is a Fellow of the Australian Institute of Company Directors.

Eddie McGuire AM

Eddie McGuire was appointed to the Board in April 2013, chairs the Board's Creative Programs Committee and is a member of the Building Redevelopment Committee. He is an accomplished businessman, author and media personality. He is President of the Collingwood Football Club and the Melbourne Stars Cricket Team, and chair of the Michael Long Learning and Leadership Centre. Eddie sits on a number of other boards including Victorian Major Events Company, the Shane Warne Foundation and stockbroking firm Evans and Partners. In 2005, he was recognised for his 'service to the community, particularly through support for health care and welfare organisations, and to broadcasting', receiving a Member of the Order of Australia award.

Karen Quinlan

Karen Quinlan was appointed to the Board in August 2013. She chairs the Collections Committee and is a member of the Advisory Committee on Public Libraries and the Creative Programs Committee. Karen has over 20 years' experience working in the visual arts sector. She has been Director of Bendigo Art Gallery since 2000, where she has been instrumental in bringing international

exhibitions to regional Victoria. In 2013 Karen became an Adjunct Professor at La Trobe University within the Department of Humanities and Social Sciences. Karen has worked as a secondary school visual arts teacher as well as curator at the National Gallery of Victoria and the Bendigo Art Gallery.

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 2013 to 30 June 2014.

2013–14 membership

Mr Dennis Goldner, Chair (attended 3 meetings)
Mr Michael Byrne (attended 4 meetings)
Mr Rod Fyffe (attended 3 meetings)
Ms Christine Mackenzie (attended 4 meetings)
Mr John Murrell (attended 4 meetings)
Ms Jenny Mustey (attended 3 meetings)
Ms Karen Quinlan (attended 1 meeting)

Alternates from Public Libraries Victoria Network

Mr Chris Kelly (attended 0 meetings)
Vice-President PLVN, ex officio (attended 0 meetings)

SLV representatives

Ms Sue Roberts
Ms Jo Watson

Executive Officer

Ms Debra Rosenfeldt

Audit and Risk Management Committee

The Audit and Risk Management 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 on financial and risk management matters. No member of the Audit and Risk Management Committee fills an executive management position at the Library. The committee met on seven occasions during the period 1 July 2013 to 30 June 2014, and once jointly with the Finance Committee.

2013–14 membership

Prof. Merran Evans, Chair, until May 2014 (attended 7 meetings)
Mr David Evans, from December 2013, Chair from May 2014 (attended 1 meeting)

Ms Marianne Di Giallonardo (attended 4 meetings)
Mr Petro Georgiou AO (attended 5 meetings)
Mr Michael Hill (attended 6 meetings)
Ms Anne Jackson (attended 8 meetings)

SLV representatives

Mr Tony Haeusler
Ms Sue Roberts

Executive Officers

Mr Iain Curry
Ms Frances Savage

Building Redevelopment Committee

The Building Redevelopment Committee advises and makes recommendations to the Board on the development of a building master plan, and seeks funding from a range of sources to achieve the key outcomes of the plan:

- increase access, visitation to, and usability of the Library's buildings
- enable new content and services to be provided to the public
- achieve the modernisation of facilities and provision of better amenities
- ensure restoration of the grandeur of the site
- open the Russell Street entrance to the public
- locate popular services and collections on the ground floor, ensuring they are easy to find
- provide a digitally enabled building.

There have been three meetings of the committee between 1 July 2013 and 30 June 2014.

2013–14 membership

Mr John Wylie AM, Chair (attended 3 meetings)
Ms Christine Christian (attended 3 meetings)
Mr Stephen Kerr (attended 3 meetings)
Mr Eddie McGuire AM (attended 1 meeting)

SLV representative

Ms Sue Roberts

Executive Officer

Ms Margaret Ford

Collections Committee

The Collections Committee advises the Board on issues concerning the acquisition, maintenance and promotion of the State Collection. There have been four meetings of the committee during the period 1 July 2013 to 30 June 2014.

2013–14 membership

Ms Karen Quinlan, Chair from July 2013 (attended 4 meetings)

Prof. Phillip Deery, joined June 2014 (attended 1 meeting)
Prof. Merran Evans (attended 2 meetings)
Ms Susan Halliday (attended 2 meetings)
Ms Justine Heazlewood (attended 3 meetings)
Ms Bridget McDonnell (attended 1 meeting)
Mr Ian Renard (attended 4 meetings)
Ms Angela Rodd (attended 2 meetings)
Prof. Lynette Russell resigned February 2014 (attended 1 meeting)
Mr Douglas Stewart, resigned November 2013

SLV representatives

Ms Justine Hyde
Ms Jo Ritale

Executive Officer

Ms Liz Jesty

Creative Programs Committee

The Creative Programs Committee advises the Board on all aspects of the Library's events and exhibitions program and other creative and community engagement programs, assisting and supporting the Library's Community Engagement priorities. The committee also gives oversight to the Library's Creative Fellowships Program, which is administered in conjunction with a range of expert panels. The committee's activities include making recommendations to the Board on successful applications for fellowship awards. The committee met on one occasion during the period 1 July 2013 to 30 June 2014.

2013–14 membership

Mr Eddie McGuire AM, Chair (attended 1 meeting)
Ms Karen Quinlan (attended 1 meeting)

SLV representatives

Ms Sue Roberts
Ms Jo Watson

Executive Officer

Ms Jo Watson

Digital Strategy Committee

The Digital Strategy Committee advises the Board on all aspects of the future direction of the Library's digital strategies, providing guidance and expertise. It identifies and highlights new, emerging trends and technologies, enabling the digital strategy to evolve and adapt over time. The committee met on three occasions during the period 1 July 2013 to 30 June 2014.

2013–14 membership

Mr Bruce Akhurst, Chair (attended 3 meetings)
Mr Mike Crooks (attended 3 meetings)

Mr Ankur Kotwall, from December 2013 (attended 1 meeting)
Mr Nick Place (attended 1 meeting)
Mr Daniel Rex, until November 2013 (attended 2 meetings)

SLV representative

Mr Peter McMahon

Executive Officer

Mr Peter McMahon

Executive Appointments and Remuneration Committee

The Executive Appointments and Remuneration Committee ensures that the Library's policy and practice relating to executive remuneration and individual remuneration packages for executives are consistent with Victorian Government employment policy. The committee convenes during the year to review executive officer salaries and performance bonuses when appropriate. The committee met on one occasion during the period 1 July 2013 to 30 June 2014.

2013–14 membership

Mr John Wylie AM, Chair (attended 1 meeting)
Mr Bruce Akhurst (attended 1 meeting)
Mr Petro Georgiou AO (attended 1 meeting)

SLV representative

Ms Sue Roberts

Executive Officer

Ms Sue Roberts

Finance Committee

The Finance Committee advises the Board on the most appropriate and cost-effective ways in which the Board may discharge its financial management obligations. The committee met six times during the year and once jointly with the Audit and Risk Management Committee.

2013–14 membership

Mr Stephen Kerr, Chair until 23 May 2014 (attended 7 meetings)
Mr Andrew Coloretti (attended 5 meetings)
Ms Helen Lanyon (attended 5 meetings)
Mr Glenn Mescher (attended 6 meetings)
John Wylie (attended 6 meetings)

SLV representatives

Mr Tony Haeusler
Ms Sue Roberts

Executive Officers

Mr Iain Curry
Ms Frances Savage

State Library of Victoria Foundation Council

The objective of the Foundation Council is to support the strategic objectives of the State Library of Victoria and to secure donations to the Foundation Capital Fund. The council met on four occasions during the period 1 July 2013 to 30 June 2014.

2013–14 membership

Ms Christine Christian, Chair (attended 4 meetings)
Mr David Evans (attended 2 meeting)
Ms Jane Hansen (attended 1 meeting)
Mr Michael Kay (attended 2 meeting)
Mr Doug Kefford (attended 1 meeting)
Mr Stephen Kerr (attended 3 meetings)
Mr Richard Lourey (attended 2 meetings)
Mr David Mullaly (attended 3 meetings)
Ms Maria Myers AO (attended 1 meeting)
Mr John Wylie AM (attended 3 meetings)

SLV representative

Ms Sue Roberts

Executive Officer

Mr Ben Clark

Library Executive

Sue Roberts

Sue Roberts joined the State Library as Chief Executive Officer and State Librarian in April 2012. Prior to moving to Melbourne, Sue was University Librarian at Victoria University of Wellington in New Zealand and Dean of Learning Services at Edge Hill University in the UK. The Chief Executive Officer has overall responsibility for ensuring that the Library Board's directions are implemented, for sound corporate governance, and for the management of the State Collection and the operations of the Library.

Justine Hyde

Justine is Director, Library Services and Experience. Justine is a qualified librarian with experience working in, managing and leading libraries in both the private and public sector. Justine has worked in commercial law firms, the Victorian Auditor-General's Office and Victoria Legal Aid. Most recently, Justine was the Interim Director of the Law Library of Victoria implementation project, where she had been leading the establishment of a new statutory authority, the Law Library of Victoria. As well as her library qualifications, Justine has a Graduate Certificate of Arts (Creative Writing), a Graduate Diploma of Management (Executive) and is currently completing her Masters of Business Administration through the Australian Graduate School of Management. Justine is a member of the State Library Leadership team.

Jo Watson

Jo Watson is Director, Community Engagement. Jo was most recently the Chief Executive Officer of YWCA Victoria and has held executive roles in the areas of marketing, strategy and change management. Jo is responsible for development of the community engagement strategy and implementation through management of community outreach, exhibitions and events, communications and marketing, engagement with public libraries, commercial services, social inclusion, and research and evaluation. She directs activities that inspire and attract new State Library users and programs that further engage existing users. Her role is also responsible for ensuring the State Library understands and delivers the services Victorians want from the State Library now and into the future. Jo is a member of the State Library Leadership Team.

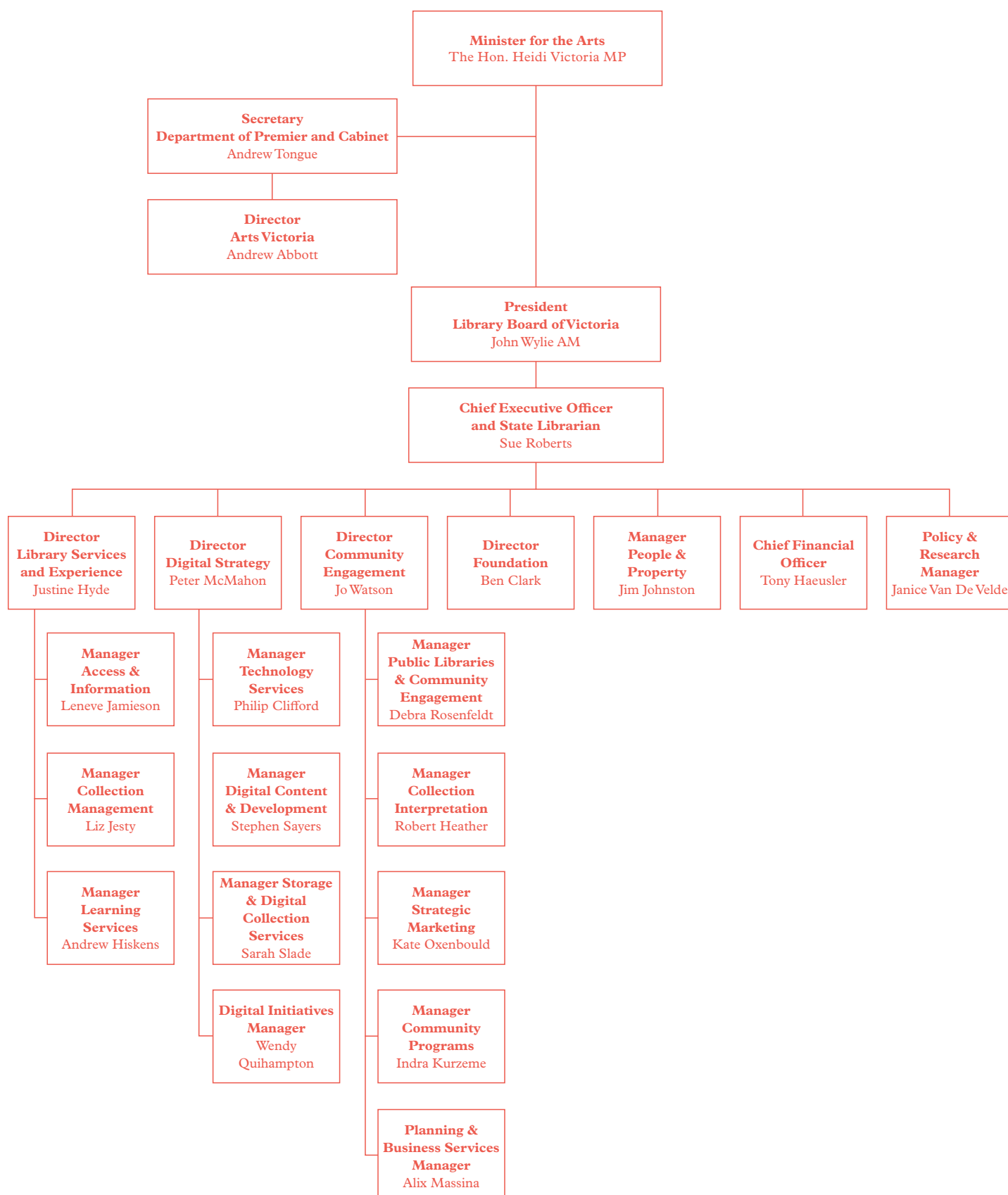
Peter McMahon

Peter McMahon is Director, Digital Strategy. Prior to joining the State Library of Victoria, Peter was most recently Executive Director – Sales, Marketing and Digital at Open Universities Australia and brings more than a decade of digital expertise to the role. He is responsible for the development and execution of the Library's digital strategy. This role has responsibility for all aspects of the Library's digital activities, including digitisation of the current and future collections, digital storage and access, technical infrastructure and IT services, use of digital technology within the Library, and the creation and evolution of the Library's web online presence. At a broader level, the role is responsible for the effective use of digital technology to provide enriched, narrative experiences within the Library and for the delivery of engaging, customer-driven experiences for the Library's online visitors. Peter is a member of the State Library Leadership Team.

Ben Clark

Ben Clark is Director, Foundation. Ben has over a decade of experience in philanthropy, working in both grant-seeking and grant-making organisations. Most recently Ben was the philanthropy manager at ANZ Trustees, a national role that involved him advising high net worth individuals on effective philanthropy and consulting to large-scale, not-for-profit organisations on major gift fundraising. Ben oversees fundraising activity on behalf of the State Library. He is also a member of the State Library Leadership Team and executive officer of the Foundation Council.

Organisational structure (as at 30 June 2014)



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	1	3	1	0	0
Total	4	1	4	1	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	1	0	0	0	0	0	0
Total	1	0	3	1	0	0	0	0	0	0

Table 3

Executives with remuneration over \$100,000

Class	2014	2013	2012	2011	2010	2009
Executives with remuneration over \$100,000	4	4	5	4	4	4
Add Vacancies	0	1	0	0	0	0
Executives employed with total remuneration below \$100,000	0	0	0	0	0	0
Accountable Officer (Secretary)	0	0	0	0	0	0
Less Separations	0	2	1	1	0	0
Total executive numbers at June	4	3	4	3	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	1	1	1	0	3	1
Total	4	1	1	1	0	3	1

Major contracts

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

Victorian Industry Participation Policy

The Victorian Industry Participation Policy Act 2003 requires public bodies and departments to report on the implementation of the Victorian Industry Participation Policy (VIPP). Departments and public bodies are required to apply VIPP in all tenders over \$3 million in metropolitan Melbourne and \$1 million in regional Victoria.

During 2013–14, the State Library of Victoria commenced one contract with a total value of \$5.03 million that underwent assessment by the Industry Capability Network. It returned a 'nil to limited contestability assessment' and required no further monitoring or reporting.

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 Library is compliant 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.

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 2014 that will have an impact on the 2013–14 reporting period.

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 9.3 per cent (greater than 15 per cent warrants investigation). Employee absenteeism (unplanned) averaged approximately 3.7 per cent (greater than 5 per cent warrants investigation). These performance measures compare to 10.5 per cent and 4.6 per cent respectively in 2012–13.

The Library continues to experience a satisfactory WorkCover claims performance rate with one active claim at the end of the year. There were three compensable injuries during the year (one was a lost-time injury), which resulted in a period of 218 consecutive days free of lost-time injury at the end of the financial year. Until the occurrence of the lost-time injury, the Library experienced a total of 958 consecutive days free of lost-time injury. The cost of WorkCover premiums has continued to decrease while claims performance continues to show a position of sector leadership. The Library performance rating is 45.7 per cent better than the average industry rate, compared to 44 per cent for 2012–13.

The Library was again audited for our Occupational Health and Safety Management Systems, and re-accredited under the SafetyMap standard for a further three years, until May 2017.

The Library continues to provide a number of initiatives to promote employee health and wellbeing, including free onsite health checks and influenza vaccinations, regular onsite yoga classes, onsite bicycle storage facilities and support for a bicycle-users group, participation in a corporate fitness challenge, and provision of a staff health awareness and healthy lifestyle program.

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 that 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 that conform to 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 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 regularly involved in recruitment and selection receive information and education on legislative requirements and antidiscrimination 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 take into account 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 Enterprise Partnership Agreement provides a set of Library values that either supplement or focus on 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 Enterprise Partnership Agreement 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 foundation 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 and casual employees
	Employees (headcount)	Full-time (headcount)	Part-time (headcount)	FTE	FTE
June 2014	273	204	69	248.04	63.71
June 2013	285	206	79	260.20	58.02

	June 2014			June 2013			Variation		
	Ongoing		Fixed-term and casual employees	Ongoing		Fixed-term and casual employees	Ongoing		Fixed-term and casual employees
	Employee (headcount)	FTE	FTE	Employee (headcount)	FTE	FTE	Employee (headcount)	FTE	FTE
Gender									
Male	105	97.62	17.61	114	106.38	21.22	-9	-8.76	-3.61
Female	168	150.42	46.10	171	153.82	36.80	-3	-3.40	9.30
Age									
Under 25	1	1.00	7.70	3	2.20	9.24	-2	-1.20	-1.54
25-34	39	38.30	28.61	40	38.20	22.53	-1	0.10	6.08
35-44	57	51.55	14.70	64	59.01	13.30	-7	-7.46	1.40
45-54	72	63.45	7.70	74	64.63	7.05	-2	-1.18	0.65
55-64	86	79.21	3.50	84	79.23	4.65	2	-0.02	-1.15
Over 64	18	14.53	1.50	20	16.93	1.25	-2	-2.40	0.25
Classification									
VPS1	5	4.80	16.11	6	5.00	11.07	-1	-0.20	5.04
VPS2	58	49.04	14.15	64	56.00	15.90	-6	-6.96	-1.75
VPS3	98	88.10	12.10	99	89.10	14.95	-1	-1.00	-2.85
VPS4	43	40.00	5.75	43	39.40	4.50	0	0.60	1.25
VPS5	45	42.10	7.80	49	46.70	6.60	-4	-4.60	1.20
VPS6	24	24.00	2.80	24	24.00	1.00	0	0.00	1.80
STS	0	0.00	1.00	0	0.00	1.00	0	0.00	0.00
Executives	0	0.00	4.00	0	0.00	3.00	0	0.00	1.00

Note

Employees have been correctly classified in workforce data collections.

Environmental performance

Environmental aspect	Description	Unit of measure	2009–10	2010–11	2012–13	2013–14
Energy	Total use	Gigajoules	24,001	21,887	23,496	22,833
	Total associated greenhouse gas emissions	Tonnes CO ₂	7,774	6,675	4,516	4,153
	Percentage of electricity purchased as GreenPower	%	15	10	25	25
	Use per sqm office space	Megajoules	480	438	467	457
	Total GreenPower	Kilowatt hours	1,000,053	607,971	1,631,656	1,583,914
	Total cost of GreenPower	Dollars	53,155	43,539	87,878	72,630
Waste	Generated per FTE	Kilograms	453	484	376	336
	Total recycled	Kilograms	71,881	76,821	59,456	54,945
Paper	Total use	Reams	2,200	2,420	2,480	2,400
	Total per FTE	Reams	7.0	8.0	8.2	7.7
Water	Total consumption	Litres	16,937,800	21,899,000	20,240,000	24,256,000
	Consumption per FTE	Litres	53,771	72,513	67,019	77,805
Transportation	Total fuel consumption	Gigajoules	73	71	74	24
	Total travel by Library vehicles	Kilometres	20,007	19,459	28,440	9,300
	Total greenhouse gases	Tonnes CO ₂	5.5	5.3	5.7	1.9

Notes

All figures based on following:

50,000 sqm

311 FTE

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:

Freedom of Information Officer

Corporate Governance Advisor
State Library of Victoria
328 Swanston Street
Melbourne VIC 3000

Access to documents may only be obtained through written request and accompanied by a non-refundable application fee of \$26.50. Additional charges may apply for searching, retrieving, copying of documents and supervising and inspection of documents. Applications should be clear and concise, and provide an accurate description of the documents sought. 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 we receive a valid request and application fee.

Requests in 2013–14

During 2013–14, no Freedom of Information requests were received directly by the Library.

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*
- *What's On*
- *La Trobe Journal*
- *SLV Monthly enewsletter*
- *Education news enewsletter*
- Centre for Youth Literature 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
- details of all consultancies and contractors, including consultants/contractors engaged, services provided and expenditure committed to for each engagement.

Protected Disclosure Act 2012

On 10 February 2013, the *Whistleblowers Protection Act 2001* was repealed and replaced with the *Protected Disclosure Act 2012* (the Act). The Act establishes a new scheme for protecting people who make disclosures about improper conduct in the public sector.

The State Library of Victoria is committed to the aims and objectives of the Act. In particular, the Library does not tolerate improper conduct by our staff or the taking of reprisals against those who come forward to disclose such conduct.

The Library recognises the value of transparency and accountability in our 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, 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. We 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 our 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.

Compliance with the *Protected Disclosure Act 2012*

The Library is not a public body to which disclosures may be made. Disclosures of improper conduct or detrimental action relating to the Library should generally be made to the Independent Broad-based Anti-corruption Commission (IBAC). Further information about making disclosures to the IBAC can be found at www.ibac.vic.gov.au. As required by s.58(5) of the Act, the Library will make available on our website procedures for protecting people who make protected disclosures from detrimental action by the Library or our staff.

Disability Action Plan

The Library's Disability Action Plan was lodged and is largely implemented, as required by the *Disability Act 2006*. The plan can be downloaded from our website at slv.vic.gov.au, and hard copies are available on request. We are currently examining issues relating to compliance with the *Carers Recognition Act 2012*; public information related to companion cards for carers can be found on our website at slv.vic.gov.au/visit/access-facilities/access-facilities-disabled-visitors.

Government advertising expenditure

There were no advertising campaigns with a media spend of \$150,000 or greater.

Consultancies

Consultancies \$10,000 and over

In 2013–14, there were 21 consultancies where the total fees payable to the consultants were \$10,000 or more (see table below and opposite). The total expenditure incurred during 2013–14 in relation to these consultancies was \$1,005,466 (excluding GST).

Consultancies under \$10,000

In 2013–14 there were 28 consultancies where the total fees payable to the consultants were less than \$10,000. The total expenditure incurred during 2013–14 in relation to these consultancies was \$118,310 (excluding GST).

Consultant	Details	Start date	End date	Total approved fee (excl. GST) \$	Expenditure in 2013–14 (excl. GST) \$	Future expenditure (excl. GST) \$
Booked Out Agency Pty Ltd	Author tours for High Road to Reading and Summer Read projects	1 October 2013	30 June 2014	73,993	73,993	Nil
Cunningham Martyn Design Pty Ltd	Feasibility study and design to extend exhibition climate control	1 January 2014	30 June 2014	46,125	46,125	Nil
Daryl Jackson Pty Ltd	Architectural services for Building Redevelopment Master Plan	1 July 2013	30 June 2014	105,155	105,155	Nil
DHW Consulting	Business analysis and planning for Building Redevelopment Project	5 May 2014	29 August 2014	72,000	31,106	40,894
Dr Gillian Hallam	Public Libraries skills audit and report Victorian Public Libraries: Our Future, Our Skills	10 June 2013	30 June 2014	49,037	49,037	Nil
Dreamwalk	Development of Hoddle's Grid mobile phone application	1 July 2013	30 June 2014	49,340	49,340	Nil
Durek Wittingslow Visualisation	Visual production for Queen's Hall project	1 March 2014	30 June 2014	22,820	22,820	Nil
Global Leadership Foundation	Staff training and facilitation	26 September 2013	31 December 2013	12,500	12,500	Nil
Hay Group Ltd	Incentives remuneration	1 March 2014	31 March 2014	20,000	20,000	Nil
Lovell Chen Pty Ltd	Heritage consultancy for Building Redevelopment Master Plan	1 July 2013	30 June 2014	11,097	11,097	Nil
Margaret Leone Seale	Review of Creative Fellowships Program	1 July 2013	30 June 2014	22,256	22,256	Nil



Consultant	Details	Start date	End date	Total approved fee (excl. GST) \$	Expenditure in 2013–14 (excl. GST) \$	Future expenditure (excl. GST) \$
Mary Maddock Consulting Pty Ltd	Staff training, facilitation, program analysis and review	1 July 2013	30 June 2014	47,750	47,750	Nil
Meld Studios Pty Ltd	New Library service delivery model design	24 February 2014	16 May 2014	168,900	168,900	Nil
Simon Storey Valuers	Valuation of the Scholastic Dromkeen Children's Literature Collection	25 November 2013	24 December 2013	12,450	12,450	Nil
Talve and Associates Pty Ltd	The Cultural Benefits of Public Libraries Study and report (Statewide public library development project)	21 February 2013	30 June 2014	59,445	59,445	Nil
The Maytrix Group, Sharyn May	Catering: business review, benchmarking and tender	25 March 2014	1 January 2015	27,844	20,834	7,010
The Trustee for the Adam Smith Trust	Australian Learning Lecture project	1 July 2013	30 June 2014	23,200	23,200	Nil
The Trustee for The Contenders	Library brand redevelopment	1 July 2013	30 September 2014	150,000	133,168	16,832
Umow Lai (Victoria) Pty Ltd	Feasibility report on central plant renewal strategy	25 March 2014	30 May 2014	14,800	14,800	Nil
Upton Martin Consulting	Shared Leadership Program (Statewide public library development project)	1 July 2013	30 June 2014	69,490	69,490	Nil
Value Edge Consulting Pty Ltd	Value management review of acquisitions and cataloguing functions	1 February 2014	28 February 2014	12,000	12,000	Nil

Disclosure index

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.

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<i>Australian Charities and Not-for-profit Commission Regulations 2013</i>		

Risk attestation

328 Swanston Street
Melbourne Victoria 3000
Australia

Telephone +613 8664 7505
Facsimile +613 9639 4737

Library Board
of Victoria

13 August 2014

RISK ATTESTATION 2013-14

I, John Wylie, certify that the State Library of Victoria has risk management processes in place consistent with the *Australian/New Zealand Risk Management Standard (AS/NZS ISO 31000:2009)* or its successor) and an internal control system is in place that enables the executive to understand, manage and satisfactorily control risk exposures. The Audit and Risk Management Committee verifies this assurance and that the risk profile of the State Library of Victoria has been critically reviewed within the last 12 months.



John Wylie AM
President

 **State Library**
of Victoria

Insurance attestation

328 Swanston Street
Melbourne Victoria 3000
Australia

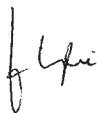
Telephone +613 8664 7505
Facsimile +613 9639 4737

Library Board
of Victoria

13 August 2014

INSURANCE ATTESTATION 2013-14

I, John Wylie,
certify that the State Library of Victoria has complied with Ministerial Direction 4.5.5.1 –
Insurance.



John Wylie AM
President

Auditor-General's report



Victorian Auditor-General's Office

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

INDEPENDENT AUDITOR'S REPORT

To the Board Members, Library Board of Victoria

The Financial Report

The accompanying financial report for the year ended 30 June 2014 of the Library Board of Victoria which comprises the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement, notes comprising a summary of significant accounting policies and other explanatory information, and the directors' and accountable officers' declaration has been audited.

The financial report includes the consolidated financial statements of the economic entity, comprising the Library Board of Victoria and the State Library of Victoria Foundation.

The Board Members' Responsibility for the Financial Report

The board members of the Library Board of Victoria are responsible for the preparation and the fair presentation of the financial report in accordance with Australian Accounting Standards and the financial reporting requirements of the *Financial Management Act 1994*, and for such internal control as the board members determine is necessary to enable the preparation and fair presentation of the financial report that is free from material misstatement, whether due to fraud or error.

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. Those standards require compliance with relevant ethical requirements relating to audit engagements and that the audit be planned and performed to obtain reasonable assurance about 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 judgment, 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 Library Board of Victoria and the consolidated entity's internal control. An audit also includes evaluating the appropriateness of the accounting policies used, the reasonableness of accounting estimates made by the board members, 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.

Independent Auditor's Report (continued)

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.

Opinion

In my opinion, the financial report presents fairly, in all material respects, the financial position of the Library Board of Victoria and the economic entity as at 30 June 2014, and their financial performance and cash flows for the year then ended in accordance with applicable Australian Accounting Standards, and the financial reporting requirements of the *Financial Management Act 1994*.

Matters Relating to the Electronic Publication of the Audited Financial Report

This auditor's report relates to the financial report of the Library Board of Victoria for the year ended 30 June 2014 included both in the Library Board of Victoria's annual report and on the website. The board members of the Library Board of Victoria are responsible for the integrity of the Library Board of Victoria's website. I have not been engaged to report on the integrity of the Library Board of Victoria's website. The auditor's report refers only to the subject matter described above. It does not provide an opinion on any other information which may have been hyperlinked to/from these statements. If users of the financial report are concerned with the inherent risks arising from publication on a website, they are advised to refer to the hard copy of the audited financial report to confirm the information contained in the website version of the financial report.

MELBOURNE
26 August 2014



for John Doyle
Auditor-General

Library Board of Victoria letter

328 Swanston Street
Melbourne Victoria 3000
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Library Board
of Victoria

LIBRARY BOARD OF VICTORIA

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 2014 and financial position of the Library Board of Victoria at 30 June 2014.

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



18.8.14 John Wylie
President
Date



David Evans
Chair, Audit and Risk Management
Committee
Date 18.8.2014

18.8.14 Sue Roberts

Sue Roberts
CEO and State Librarian
Date



Anthony L Haeusler
Chief Financial Officer
Date 18/8/14

 **State Library**
of Victoria

Library Board of Victoria and controlled entity financial report for the financial year ended 30 June 2014

BALANCE SHEET AS AT 30 JUNE 2014

	Note	CONSOLIDATED		STATE LIBRARY OF VICTORIA	
		2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Financial assets					
Cash and deposits	2	3,918	7,639	2,659	5,301
Receivables	3	1,060	862	882	833
Financial assets classified as available for sale	4	13,650	12,925	-	-
Total financial assets		18,628	21,426	3,541	6,134
Non-financial assets					
Prepayments		1,243	818	1,243	818
Library collections	5	493,088	489,476	493,088	489,476
Property, plant and equipment	6	387,247	396,895	387,247	396,895
Deferred expenditure	8	1	1	1	1
Total non-financial assets		881,579	887,190	881,579	887,190
Total assets		900,207	908,616	885,120	893,324
Liabilities					
Payables	9	1,134	1,297	1,134	1,297
Other liabilities	10	241	1,401	241	1,401
Interest-bearing liabilities	11	51	27	51	27
Provisions	12	7,814	7,629	7,814	7,629
Total liabilities		9,240	10,354	9,240	10,354
Net assets		890,967	898,262	875,880	882,970
Equity					
Contributed capital	13(a)	557,514	557,514	557,514	557,514
Accumulated surplus	13(b)	(24,760)	(17,479)	(24,760)	(17,479)
Physical asset revaluation surplus	13(c)	333,100	333,100	333,100	333,100
General reserve	13(d)	1,000	1,000	1,000	1,000
Donations and bequests reserve	13(e),14	13,502	13,453	2,056	2,017
Specific purpose grants reserve	13(f),15	10,001	10,417	6,970	6,818
Financial assets valuation reserve	13(g)	610	257	-	-
Net worth		890,967	898,262	875,880	882,970

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

COMPREHENSIVE OPERATING STATEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

	Note	CONSOLIDATED		STATE LIBRARY OF VICTORIA	
		2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Income from transactions					
Grant from Government	16	37,917	40,126	37,917	40,126
Grant from Government – capital funding	16	1,245	-	1,245	-
Trading	17	1,726	2,175	1,720	2,119
Projects funded from external sources	18	2,651	2,927	2,649	2,622
Donations and bequests	19	5,696	1,915	7,055	2,467
Investment revenue	20(a)	1,232	1,365	251	207
Capital asset charge		41,403	41,403	41,403	41,403
Total income from transactions		91,870	89,911	92,240	88,944
Expenses from transactions					
Employee expenses	21	29,369	29,329	28,939	29,133
Buildings and facilities expenses	22	6,679	6,355	6,679	6,354
Depreciation	23	13,234	13,300	13,234	13,300
Professional and finance expenses	24	1,735	1,563	1,568	1,471
Borrowing costs	25	2	2	2	2
Grants distributed	26	153	70	153	70
Other expenses from ordinary activities	27	7,403	7,543	7,307	7,119
Capital asset charge		41,403	41,403	41,403	41,403
Total expenses from transactions		99,978	99,565	99,285	98,852
Net result from transactions		(8,108)	(9,654)	(7,045)	(9,908)
Other economic flows included in net result					
Net gain/(loss) on financial instruments	32(a) 20(b)	505	911	-	-
Net gain/(loss) on non-financial assets	32(b)	2	6	2	6
Other gains/(losses) from other economic flows	32(c)	(47)	156	(47)	156
Total other economic flows included in net result		460	1,073	(45)	162
Net result for the year		(7,648)	(8,581)	(7,090)	(9,746)
Other economic flows					
– other comprehensive income					
Change in Financial asset valuation reserve	13(g)	353	257	-	-
Total other economic flows		353	257	-	-
– other comprehensive income					
Comprehensive result for the year		(7,295)	(8,324)	(7,090)	(9,746)

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

CASH FLOW STATEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

	Note	CONSOLIDATED		STATE LIBRARY OF VICTORIA	
		2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
Cash flows from operating activities					
Grants from government - appropriation		37,917	40,126	37,917	40,126
Grants from government - capital		1,245	-	1,245	-
Donations (other than in kind) and bequests		882	669	2,225	1,213
Proceeds from Persian manuscripts appeal		-	3	-	-
Trading receipts		1,763	2,513	1,754	2,442
Other grants		2,899	3,101	2,899	2,765
Dividends and interest		1,172	1,404	247	203
GST recovered from the ATO		1,414	1,329	1,428	1,361
Payments to suppliers and employees		(49,122)	(46,497)	(48,426)	(45,760)
Net cash flows from/(used in) operating activities	29(b)	(1,830)	2,648	(711)	2,350
Cash flows from investing activities					
Proceeds from/(payments for) investments		632	396	-	-
Proceeds from sale of property, plant and equipment		2	63	2	63
Payment for property, plant and equipment		(254)	(434)	(254)	(434)
Payment for Library collection		(1,761)	(2,209)	(1,761)	(2,209)
Net cash used in investing activities		(1,381)	(2,184)	(2,013)	(2,580)
Cash flows from financing activities					
Repayment of finance lease		(11)	(75)	(11)	(75)
Advance to State Library of Victoria Foundation		-	-	(2,267)	(1,568)
Receipt from State Library of Victoria Foundation		-	-	2,360	5,556
Net cash used in financing activities		(11)	(75)	82	3,913
Net decrease in cash and cash equivalents		(3,222)	389	(2,642)	3,683
Cash and cash equivalents at beginning of year		12,749	12,360	5,301	1,618
Cash and cash equivalents at end of year	29(a)	9,527	12,749	2,659	5,301

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

STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014

					CONSOLIDATED
		Equity at 1 July 2013	Total compre- hensive result	Transactions with owners in their capacity as owners	Equity at 30 June 2014
	Note	\$'000	\$'000	\$'000	\$'000
Contributed capital	13(a)	557,514	-	-	557,514
Accumulated surplus		(17,479)	(7,648)	-	(25,127)
Transfer to donations and bequests reserve		-	-	(49)	(49)
Transfer from specific purpose grants reserve		-	-	416	416
	13(b)	(17,479)	(7,648)	367	(24,760)
Asset revaluation surplus		333,100	-	-	333,100
Revaluation of land, buildings and collection assets		-	-	-	-
	13(c)	333,100	-	-	333,100
General reserve	13(d)	1,000	-	-	1,000
Donations and bequests reserve		13,453	-	-	13,453
Transfer from accumulated surplus		-	-	49	49
	13(e)	13,453	-	49	13,502
Specific purpose grants reserve		10,417	-	-	10,417
Transfer to accumulated surplus		-	-	(416)	(416)
	13(f)	10,417	-	(416)	10,001
Financial assets valuation reserve					
Unrealised capital gains on financial assets		257	353	-	610
	13(g)	257	353	-	610
Total equity at end of financial year		898,262	(7,295)	-	890,967

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

STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014 (CONT'D)

					COMPARATIVE CONSOLIDATED
		Equity at 1 July 2012	Total compre- hensive result	Transactions with owners in their capacity as owners	Equity at 30 June 2013
	Note	\$'000	\$'000	\$'000	\$'000
Contributed capital	13(a)	557,514	-	-	557,514
Accumulated surplus		(6,570)	(8,581)	-	(15,151)
Transfer to donations and bequests reserve		-	-	(844)	(844)
Transfer to specific purpose grants reserve		-	-	(1,484)	(1,484)
	13(b)	(6,570)	(8,581)	(2,328)	(17,479)
Asset revaluation surplus		333,100	-	-	333,100
Revaluation of land, buildings and collection assets		-	-	-	-
	13(c)	333,100	-	-	333,100
General reserve	13(d)	1,000	-	-	1,000
Donations and bequests reserve		12,609	-	-	12,609
Transfer from accumulated surplus		-	-	844	844
	13(e)	12,609	-	844	13,453
Specific purpose grants reserve		8,933	-	-	8,933
Transfer from accumulated surplus		-	-	1,484	1,484
	13(f)	8,933	-	1,484	10,417
Financial assets valuation reserve		-	257	-	257
Unrealised capital gains on financial assets		-	257	-	257
	13(g)	-	257	-	257
Total equity at end of financial year		906,586	(8,324)	-	898,262

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

STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014 (CONT'D)

STATE LIBRARY OF VICTORIA					
		Equity at 1 July 2013	Total compre- hensive result	Transactions with owners in their capacity as owners	Equity at 30 June 2014
	Note	\$'000	\$'000	\$'000	\$'000
Contributed capital	13(a)	557,514	-	-	557,514
Accumulated surplus		(17,479)	(7,090)	-	(24,569)
Transfer to donations and bequests reserve		-	-	(39)	(39)
Transfer to specific purpose grants reserve		-	-	(152)	(152)
	13(b)	(17,479)	(7,090)	(191)	(24,760)
Asset revaluation surplus		333,100	-	-	333,100
Revaluation of land, buildings and collection assets		-	-	-	-
	13(c)	333,100	-	-	333,100
General reserve	13(d)	1,000	-	-	1,000
Donations and bequests reserve		2,017	-	-	2,017
Transfer from accumulated surplus		-	-	39	39
	13(e)	2,017	-	39	2,056
Specific purpose grants reserve		6,818	-	-	6,818
Transfer from accumulated surplus		-	-	152	152
	13(f)	6,818	-	152	6,970
Total equity at end of financial year		882,970	(7,090)	-	875,880

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

STATEMENT OF CHANGES IN EQUITY FOR THE FINANCIAL YEAR ENDED 30 JUNE 2014 (CONT'D)

					COMPARATIVE STATE LIBRARY OF VICTORIA	
		Equity at 1 July 2012	Total compre- hensive result	Transactions with owners in their capacity as owners	Equity at 30 June 2013	
	Note	\$'000	\$'000	\$'000	\$'000	
Contributed capital	13(a)	557,514	-	-	557,514	
Accumulated surplus		(6,570)	(9,746)	-	(16,316)	
Transfer to donations and bequests reserve		-	-	(132)	(132)	
Transfer to specific purpose grants reserve		-	-	(1,031)	(1,031)	
	13(b)	(6,570)	(9,746)	(1,163)	(17,479)	
Asset revaluation surplus		333,100	-	-	333,100	
Revaluation of land, buildings and collection assets		-	-	-	-	
	13(c)	333,100	-	-	333,100	
General reserve	13(d)	1,000	-	-	1,000	
Donations and bequests reserve		1,885	-	-	1,885	
Transfer from accumulated surplus		-	-	132	132	
	13(e)	1,885	-	132	2,017	
Specific purpose grants reserve		5,787	-	-	5,787	
Transfer from accumulated surplus		-	-	1,031	1,031	
	13(f)	5,787	-	1,031	6,818	
Total equity at end of financial year		892,716	(9,746)	-	882,970	

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

Notes to the financial statements for the year ended 30 June 2014

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1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The annual financial statements represent the audited general purpose financial statements for the Library Board of Victoria (the Board).

The purpose of the report is to provide users with information about the Board's stewardship of resources entrusted to it.

To gain a better understanding of the terminology used in this report, a glossary of terms and style conventions can be found in Note 37.

a) Statement of compliance

These general purpose financial statements have been prepared in accordance with the *Financial Management Act 1994* (FMA) and applicable Australian Accounting Standards (AAS) which include interpretations issued by the Australian Accounting Standards Board (AASB). Where appropriate, those AAS paragraphs applicable to not-for-profit entities have been applied.

The annual financial statements were authorised for issue by AL Haeusler, Chief Financial Officer, State Library of Victoria on 18 August 2014.

Accounting policies are selected and applied in a manner that ensures 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.

b) Basis of accounting preparation and measurement

The accrual basis of accounting has been applied in the preparation of these financial statements whereby assets, liabilities, equity, income and expenses are recognised in the reporting period to which they relate, regardless of when cash is received or paid.

In the application of AAS, judgements, estimates and assumptions are required to be made about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on professional judgements derived from historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and associated assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and also in future periods that are affected by the revision. Judgements made by management in the application of AAS that have significant effects on the financial statements and estimates, with a risk of material adjustments in the next year, are disclosed throughout the notes to the financial statements.

These financial statements are presented in Australian dollars and prepared in accordance with the historical cost convention. Historical cost is based on the fair values of the consideration given in exchange for assets.

Exceptions to the historical cost convention include:

- non-financial physical assets which, subsequent to acquisition, are measured at a revalued amount being their fair value at the date of the revaluation less any subsequent accumulated

depreciation and subsequent impairment losses. Revaluations are made with sufficient regularity to ensure that the carrying amounts do not materially differ from their fair value

- provisions for employee benefits (refer to Note 1[n])
- the fair value of an asset other than land is generally based on its depreciated replacement value, and
- available-for-sale investments that are measured at fair value with movements reflected in equity until the asset is derecognised.

Consistent with AASB 13 *Fair Value Measurement*, the Board determines the policies and procedures for both recurring fair value measurements such as property, plant and equipment, financial instruments and for non-recurring fair value measurements such as non-financial physical assets held for sale, in accordance with the requirements of AASB 13 and the relevant Financial Reporting Directions.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 - Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable; and
- Level 3 - Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For the purpose of fair value disclosures, the Board has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

In addition, the Board determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Valuer-General Victoria (VGV) is the Department's independent valuation agency.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2014 and the comparative information presented for the year ended 30 June 2013.

c) Reporting entity

The financial statements cover the Board as an individual reporting entity.

The Board is a government Board of the State of Victoria, established under Section 16 of the *Libraries Act 1988*.

Its principal address is:
State Library of Victoria
328 Swanston Street
Melbourne VIC 3000

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

The financial statements include all the controlled activities of the Board.

The following statutory bodies are included in the Board's reporting entity:

- The State Library of Victoria is one of seven cultural agencies of the Victorian Government and was established in 1859. These agencies are overseen by Arts Victoria, a division of the Department of Premier and Cabinet. Arts Victoria is responsible for implementing the government's arts policies. The Library Board of Victoria governs the activities and operation of the Library and reports to the Victorian Minister for the Arts.
- The State Library of Victoria Foundation (the Foundation) was established in 1994 to raise funds through memberships, donations, sponsorships and bequests to enable the Library to purchase items of historical significance and to fund exhibitions. The Foundation is led by a director, who reports to the Library's CEO. The Library Board of Victoria is the Foundation's sole trustee and governing body. The Foundation is advised in its activities by the Foundation Council, with the Library's CEO and President of the Library Board of Victoria as members.

A description of the nature of the Board's operations and its principal activities is included in the report of operations, which does not form part of these financial statements.

Objectives and funding

The Board's overall objective is to ensure 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, and to ensure that the collection is available to all Victorians. The Board is predominantly funded by accrual-based parliamentary appropriations for the provision of outputs.

d) Basis of consolidation

The consolidated financial statements of the Board incorporate assets and liabilities of the Board and their income and expenses for the reporting period. 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 sole trustee for the State Library of Victoria Foundation.

In the process of preparing consolidated financial statements for the Board, all material transactions and balances between consolidated entities are eliminated.

e) 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 allowed under AASB 101 *Presentation of financial statements*.

'Transactions' are those economic flows that are considered to arise as a result of policy decisions, usually interactions between two entities by mutual agreement. 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. Taxation is regarded as mutually agreed interactions between the government and taxpayers. Transactions can be in kind (e.g. assets provided/given free of charge or for nominal consideration) or where the final consideration is cash.

'Other economic flows' are changes arising from market remeasurements. They include:

- gains and losses from disposals, revaluations and impairments of non-financial physical and intangible assets
- actuarial gains and losses arising from defined benefit superannuation plans
- fair value changes of financial instruments, and
- the net result is equivalent to profit or loss derived in accordance with AAS.

Balance sheet

Assets and liabilities are presented in liquidity order with assets aggregated into financial assets and non-financial assets. Current and non-current assets and liabilities (those expected to be recovered or settled beyond 12 months) are disclosed in the notes, where relevant.

Cash flow statement

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

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 reporting period to the closing balance at the end of the reporting period. 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.

Rounding of amounts

Amounts in the financial statements (including the notes) have been rounded to the nearest thousand dollars, unless otherwise stated. Figures in the financial statements may not equate due to rounding.

Prior-year comparative figures

When required by accounting standards, comparative figures have been adjusted to conform to changes in presentation for the current financial year.

f) Changes in accounting policy

Subsequent to the 2012-13 reporting period, the following new and revised Standards have been adopted in the current period with their financial impact detailed as below.

AASB 13 Fair Value Measurement

AASB 13 establishes a single source of guidance for all fair value measurements. AASB 13 does not change when the Board is required to use fair value, but rather provides guidance on how to measure fair value under Australian Accounting Standards when fair value is required or permitted. The Board has

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

considered the specific requirements relating to highest and best use, valuation premise, and principal (or most advantageous) market. The methods, assumptions, processes and procedures for determining fair value were revisited and adjusted where applicable. In light of AASB 13, the Board has reviewed the fair value principles as well as its current valuation methodologies in assessing the fair value, and the assessment has not materially changed the fair values recognised.

However, AASB 13 has predominantly impacted the disclosures of the Board. It requires specific disclosures about fair value measurements and disclosures of fair values, some of which replace existing disclosure requirements in other standards, including AASB 7 *Financial Instruments: Disclosures*.

The disclosure requirements of AASB 13 apply prospectively and need not be applied in comparative information before first application. Consequently, the 2012-13 comparatives of these disclosures have not been provided, except for financial instruments, of which the fair value disclosures are required under AASB 7 *Financial Instruments: Disclosures*.

AASB 119 Employee benefits

In 2013-14, the Board has applied AASB 119 *Employee benefits* (September 2011, as amended) and the related consequential amendments for the first time.

The revised AASB 119 changes the accounting for defined benefit plans and termination benefits. The revised standard also changes the definition of short-term employee benefits. These were previously benefits that were expected to be settled within twelve months after the end of the reporting period in which the employees render the related service, however, short-term employee benefits are now defined as benefits expected to be settled wholly within twelve months after the end of the reporting period in which the employees render the related service. As a result, accrued annual leave balances which were previously classified by the Board as short-term employee benefits no longer meet this definition and are now classified as long-term employee benefits. This change has not materially altered the measurement of the annual leave provision.

g) Income from transactions

Income is recognised to the extent that it is probable that the economic benefits will flow to the entity and the income can be reliably measured. Where applicable, amounts disclosed as income are net of returns, allowances, duties and taxes. Income is recognised for each of the Board's major activities as follows:

Government appropriations

Appropriated income becomes controlled and is recognised by the Board when it is appropriated from the Consolidated Fund by the Victorian Parliament and applied to the purposes defined under the relevant Appropriations Act.

Investment income

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

Net realised and unrealised gains and losses on the revaluation of investments do not form part of income from transactions, but are reported either as part of income from 'other economic flows' in the net result or as unrealised gains or losses taken directly to equity, forming part of the total change in net worth in the comprehensive result.

Sale of goods and services

Income from the supply of services

Income from the supply of services is recognised by reference to the stage-of-completion of the services being performed. The income is recognised when:

- the amount of the income, stage of completion and transaction costs incurred can be reliably measured, and
- it is probable that the economic benefits associated with the transaction will flow to the Board.

Under the stage-of-completion method, income is recognised by reference to labour hours supplied or to labour hours supplied as a percentage of total services to be performed in each annual reporting period.

Income from sale of goods

Income from the sale of goods is recognised when:

- the Board no longer has any of the significant risks and rewards of ownership of the goods transferred to the buyer
- the Board no longer has continuing managerial involvement to the degree usually associated with ownership, nor effective control over the goods sold
- the amount of income, and the costs incurred or to be incurred in respect of the transactions, can be reliably measured
- it is probable that the economic benefits associated with the transaction will flow to the Board, and
- sale of goods and services includes regulatory fees that are recognised at the time the regulatory fee is billed.

Grants

Grants from Government and other third parties (other than contribution by owners) are recognised as income in the reporting period in which the Board gains control over the underlying assets.

Fair value of assets and services received free of charge or for nominal consideration

Contributions of resources received free of charge or for nominal consideration are recognised at fair value when control is obtained over them, irrespective of whether these contributions are subject to restrictions or conditions over their use. Contributions in the form of services are only recognised when a fair value can be reliably determined and the services would have been purchased if not received as a donation. 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.

Other income

Other income includes donations, bequests, sponsorships and memberships. Donations and bequests for specific purposes have

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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.

Sponsorships and memberships are recognised on receipt.

h) Expenses from transactions

Expenses are recognised as they are incurred and reported in the financial year to which they relate.

Employee expenses

These expenses include all costs related to employment (other than superannuation which is accounted for separately), including wages and salaries, fringe benefits tax, leave entitlements, redundancy payments and WorkCover premiums.

Superannuation – state superannuation defined benefit plans

The amount recognised in the comprehensive operating statement in relation to employer contributions for members of defined benefit superannuation plans is simply the employer contributions that are paid or payable to these plans during the reporting period. The level of these contributions will vary depending upon the relevant rules of each plan, and is based upon actuarial advice. The Department of Treasury and Finance (DTF) in its Annual Financial Statements discloses on behalf of the state as the sponsoring employer, the net defined benefit cost related to the members of these plans as an administered liability. Refer to DTF's Annual Financial Statements for more detailed disclosures in relation to these plans.

Depreciation and amortisation

Depreciation on buildings, in prior years has taken into account the heritage and historical nature of each building. This approach applied a depreciation rate based on a useful life of 100 years for buildings. The Library has adopted depreciation rates applied by the VGV based on the depreciated replacement cost method. This method has resulted in depreciation being calculated on buildings with remaining useful lives in the range of 1 to 50 years.

Plant and equipment and other non-financial physical assets (excluding items under operating leases, land and heritage collection items) that have finite useful lives are depreciated. Depreciation is calculated on a straight-line basis, at rates that allocate the asset's value, less any estimated residual value, over its estimated useful life. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period, and adjustments made where appropriate.

The following are typical estimated useful lives for the different asset classes for current and prior years

Asset class	Useful life	Remaining useful life
Buildings	100 years	1–50 years
Plant and equipment	5–20 years	1–20 years
Collection assets	50 years	1–50 years

Land and heritage collection assets, which are considered to have an indefinite life, are not depreciated. Depreciation is not recognised in respect of these assets because their service potential has not, in any material sense, been consumed during the reporting period.

Depreciation begins when the asset is available for use, that is, when it is in the location and condition necessary for it to be capable of operating in the manner intended by management.

Interest expense

Interest expense is recognised in the period in which it is incurred.

Grants distributed

Grants and other transfers to third parties (other than contribution to owners) are recognised as an expense in the reporting period in which they are paid or payable.

Capital asset charge

The capital asset charge represents the opportunity cost of capital invested in the non-financial physical assets used in the provision of outputs and is calculated on the budgeted carrying amount of applicable non-financial physical assets.

Other operating expenses

Other operating expenses generally represent the day-to-day running costs incurred in normal operations.

Supplies and services

Supplies and services expenses are recognised as an expense in the reporting period in which they are incurred. The carrying amounts of any inventories held for distribution are expensed when distributed.

Bad and doubtful debts

Refer to Note 1(l) *Impairment of financial assets*.

i) Other economic flows included in the net result

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

Net gain/(loss) on non-financial assets

Net gain/(loss) on non-financial assets and liabilities includes realised and unrealised gains and losses as follows:

Revaluation gains/(losses) of non-financial physical assets

Refer to Note 1(m) *Revaluations of non-financial physical 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.

Gain/(loss) arising from transactions in foreign exchange

Refer to Note 1(j) *Foreign currency transactions*.

Impairment of non-financial assets

All other assets are assessed annually for indications of impairment, except for: inventories (refer Note 1[m]).

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

If there is an indication of impairment, the assets concerned are tested as to whether their carrying value exceeds their recoverable amount. Where an asset's carrying value exceeds its recoverable amount, the difference is written off as an 'other economic flow', except to the extent that the write-down can be debited to an asset revaluation surplus amount applicable to that class of asset.

If there is an indication that there has been a change in the estimate of an asset's recoverable amount since the last impairment loss was recognised, the carrying amount shall be increased to its recoverable amount. This reversal of the impairment loss occurs only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised in prior years.

It is deemed that, in the event of the loss or destruction of an asset, the future economic benefits arising from the use of the asset will be replaced unless a specific decision to the contrary has been made. The recoverable amount for most assets is measured at the higher of depreciated replacement cost and fair value less costs to sell. Recoverable amount for assets held primarily to generate net cash inflows is measured at the higher of the present value of future cash flows expected to be obtained from the asset and fair value less costs to sell.

Refer to Note 1(m) in relation to the recognition and measurement of non-financial assets.

Net gain/(loss) on financial instruments

Net gain/(loss) on financial instruments includes:

- realised and unrealised gains and losses from revaluations of financial instruments at fair value
- impairment and reversal of impairment for financial instruments at amortised cost (refer to Note 1[k]), and
- disposals of financial assets.

Revaluations of financial instruments at fair value

Refer to Note 1(k) *Financial instruments*.

Other gains/(losses) from other economic flows

Other gains/(losses) from 'other economic flows' include the gains or losses from:

- transfer of amounts from the reserves and/or accumulated surplus to net result due to disposal or derecognition or reclassification;
- the revaluation of the present value of the long-service leave liability due to changes in the bond interest rates;
- net realised gain/(loss) on sale of available-for-sale financial assets;
- net gain/(loss) on disposal of non-financial assets.

j) Foreign-currency transactions

All foreign-currency transactions during the financial year are brought to account using the exchange rate in effect at the date of the transaction. Foreign-currency translation differences are recognised in 'other economic flows' and accumulated in a separate component of equity, in the period in which they arise.

k) Financial instruments

Financial instruments arise out of contractual agreements that give rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Due to the nature of the Board's activities, certain financial assets and financial liabilities arise under statute rather than a contract. Such financial assets and financial liabilities do not meet the definition of financial instruments in AASB 132 *Financial Instruments: Presentation*. For example, statutory receivables arising from taxes do not meet the definition of financial instruments as they do not arise under contract. Where relevant, for note disclosure purposes, a distinction is made between those financial assets and financial liabilities that meet the definition of financial instruments in accordance with AASB 132 and those that do not.

The following refers to financial instruments unless otherwise stated.

Categories of non-derivative financial instruments

Loans and receivables

Loans and receivables are financial instrument assets with fixed and determinable payments that are not quoted on an active market. These assets are initially recognised at fair value plus any directly attributable transaction costs. Subsequent to initial measurement, loans and receivables are measured at amortised cost using the effective interest method, less any impairment. Loans and receivables category includes cash and deposits (refer to Note 1[l]), term deposits with maturity greater than three months, trade receivables, loans and other receivables, but not statutory receivables.

Available-for-sale financial assets

Available-for-sale financial instrument assets are those designated as available for sale or not classified in any other category of financial instrument asset.

Such assets are initially recognised at fair value. Subsequent to initial recognition, they are measured at fair value with gains and losses arising from changes in fair value, recognised in 'other economic flows – other non-owner changes in equity' until the investments are disposed.

Movements resulting from impairment are recognised in the net result as 'other economic flows'. On disposal, the cumulative gain or loss previously recognised in 'other economic flows – other non-owner changes in equity' is transferred to 'other economic flows' in the net result.

Fair value is determined in the manner described in Note 30 *Financial instruments*.

The available-for-sale category includes equity investments and fixed interest securities.

Financial liabilities at amortised cost

Financial instrument liabilities are initially recognised on the date they are originated. They are initially measured at fair value plus any directly attributable transaction costs. Subsequent to initial recognition, these financial instruments are measured at

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

amortised cost with any difference between the initial recognised amount and the redemption value being recognised in profit and loss over the period of the interest-bearing liability, using the effective interest rate method.

Financial instrument liabilities measured at amortised cost include all payables.

Offsetting financial instruments

Financial instrument assets and liabilities are offset and the net amount presented in the balance sheet when, and only when, the Board has a legal right to offset the amounts and intend either to settle on a net basis or to realise the asset and settle the liability simultaneously.

Reclassification of financial instruments

Subsequent to initial recognition and under rare circumstances, non-derivative financial instruments assets that have not been designated at fair value through profit or loss upon recognition may be reclassified out of the fair value through profit or loss category, if they are no longer held for the purpose of selling or repurchasing in the near term.

Financial instrument assets that meet the definition of loans and receivables may be reclassified out of the fair value through profit and loss category into the loans and receivables category where they would have met the definition of loans and receivables had they not been required to be classified as fair value through profit and loss. In these cases, the financial instrument assets may be reclassified out of the fair value through profit and loss category if there is the intention and ability to hold them for the foreseeable future or until maturity.

Available-for-sale financial instrument assets that meet the definition of loans and receivables may be reclassified into the loans and receivables category if there is the intention and ability to hold them for the foreseeable future or until maturity.

1) Financial assets

Cash and deposits

Cash and deposits, including cash equivalents, comprise cash on hand and cash at bank, deposits at call, term deposits and those highly liquid investments with an original maturity of three months or less, which are held for the purpose of meeting short-term cash commitments rather than for investment purposes, and which are readily convertible to known amounts of cash and are subject to an insignificant risk of changes in value.

For cash flow statement presentation purposes, cash and cash equivalents includes cash on hand, cash at bank, deposits at call, Australian dollar term deposits, Australian dollar fixed interest securities and cash management accounts with investment managers.

Receivables

Receivables consist of:

- statutory receivables, which include predominantly amounts owing from the Victorian Government and GST input tax credits recoverable, and

- contractual receivables, which include mainly debtors in relation to goods and services, accrued investment income, and finance lease receivables (refer to Note 1[o] *Leases*).

Receivables that are contractual are classified as financial instruments. Statutory receivables are not classified as financial instruments.

Receivables are recognised initially at fair value and subsequently measured at amortised cost, using the effective interest method, less an allowance for impairment.

A provision for doubtful receivables is made when there is objective evidence that the debts may not be collected and bad debts are written off when identified (refer to Note 1[[*Impairment of financial assets*)]].

Investments and other financial assets

Investments are classified in the following categories:

- loans and receivables, and
- available-for-sale financial assets.

The classification depends on the purpose for which the investments were acquired. Management determines the classification of its investments at initial recognition.

Any dividend or interest earned on the financial asset is recognised in the consolidated comprehensive operating statement as a transaction.

Derecognition of financial assets

A financial asset (or, where applicable, a part of a financial asset or part of a group of similar financial assets) is derecognised when:

- the rights to receive cash flows from the asset have expired, or
- the Board retains the right to receive cash flows from the asset, but has assumed an obligation to pay them in full without material delay to a third party under a 'pass through' arrangement, or
- the Board has transferred its rights to receive cash flows from the asset and either:
 - a) has transferred substantially all the risks and rewards of the asset, or
 - b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Where the Board has neither transferred nor retained substantially all the risks and rewards or transferred control, the asset is recognised to the extent of the Board's continuing involvement in the asset.

Impairment of financial assets

At the end of each reporting period, the Board assesses whether there is objective evidence that a financial asset or group of financial assets is impaired. Objective evidence includes financial difficulties of the debtor, default payments, debts which are more than 60 days overdue, and changes in debtor credit ratings. All financial instrument assets, except those measured at fair value through profit or loss, are subject to annual review for impairment.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

Bad and doubtful debts for financial assets are assessed on a regular basis. Bad debts not written off by mutual consent and the allowance for doubtful receivables are classified as 'other economic flows' in the net result.

The amount of the allowance is the difference between the financial asset's carrying amount and the present value of estimated future cash flows, discounted at the effective interest rate.

m) Non-financial assets

Inventories

Inventories include books held either for sale, or for distribution at zero or nominal cost, or for consumption in the ordinary course of business operations.

Inventories are measured at the lower of cost and net realisable value. Where inventories are acquired for no cost or nominal consideration, they are measured at current replacement cost at the date of acquisition.

Cost includes an appropriate portion of fixed and variable overhead expenses and is measured on the basis of weighted average cost.

Property, plant and equipment

All non-financial physical assets, are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment.

The initial cost for non-financial physical assets under a finance lease (refer to Note 1[o]) is measured at amounts equal to the fair value of the leased asset or, if lower, the present value of the minimum lease payments, each determined at the inception of the lease.

Where an asset is received for no or nominal consideration, the cost is the asset's fair value at the date of acquisition.

Non-financial physical assets such as land and heritage assets are measured at fair value with regard to the property's highest and best use after due consideration is made for any legal or constructive restrictions imposed on the asset, public announcements or commitments made in relation to the intended use of the asset. Theoretical opportunities that may be available in relation to the asset are not taken into account until it is virtually certain that the restrictions will no longer apply.

The fair value of cultural assets and collections, heritage assets and other non-financial physical assets that the state intends to preserve because of their unique historical, cultural or environmental attributes, is measured at the replacement cost of the asset less, where applicable, accumulated depreciation (calculated on the basis of such cost to reflect the already consumed or expired future economic benefits of the asset) and any accumulated impairment. These policies and any legislative limitations and restrictions imposed on their use and/or disposal may impact their fair value.

The cost of constructed non-financial physical assets includes the cost of all materials used in construction, direct labour on the project, and an appropriate proportion of variable and fixed overheads. Where an asset is received for no or nominal consideration, the cost is the asset's fair value at the date of acquisition. For the accounting policy on impairment of non-financial physical assets, refer to impairment of non-financial assets under Note 1(i) *Impairment of non-financial assets*.

Restrictive nature of cultural and heritage assets, Crown land and infrastructures

The Board holds cultural heritage assets that are deemed worthy of preservation because of the social rather than financial benefits they provide to the community. Consequently, there are certain limitations and restrictions imposed on their use and/or disposal.

Non-financial physical assets constructed by the Board

The cost of non-financial physical assets constructed by the Board includes the cost of all materials used in construction, direct labour on the project, and an appropriate proportion of variable and fixed overheads.

Revaluations of non-financial physical assets

Non-financial physical assets are measured at fair value, in accordance with the Financial Reporting Directions (FRDs) issued by the Minister for Finance. A full revaluation normally occurs every five years, based upon the asset's government purpose classification but may occur more frequently if fair value assessments indicate material changes in values. Independent valuers are generally used to conduct these scheduled revaluations. Certain infrastructure assets are revalued using specialised advisors. Any interim revaluations are determined in accordance with the requirements of the FRDs.

Revaluation increases or decreases arise from differences between an asset's carrying value and fair value.

Net revaluation increases (where the carrying amount of a class of assets is increased as a result of a revaluation) are recognised in 'other economic flows – other movements in equity' and accumulated in equity under the asset revaluation surplus. However, the net revaluation increase is recognised in the net result to the extent that it reverses a net revaluation decrease in respect of the same class of property, plant and equipment previously recognised as an expense (other economic flows) in the net result.

Net revaluation decreases are recognised immediately as other economic flows in the net result, except that the net revaluation decrease is recognised in 'other economic flows – other movements in equity' to the extent that a credit balance exists in the asset revaluation surplus in respect of the same class of property, plant and equipment. The net revaluation decrease recognised in 'other economic flows – other movements in equity' reduces the amount accumulated in equity under the asset revaluation surplus.

Revaluation increases and decreases relating to individual assets within a class of property, plant and equipment, are offset against

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

one another within that class but are not offset in respect of assets in different classes. Any asset revaluation surplus is not normally transferred to accumulated funds on derecognition of the relevant asset.

Deferred expenditure

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

Other non-financial assets

Other non-financial assets include prepayments, which represent payments in advance of receipt of goods or services or that part of expenditure made in one accounting period covering a term extending beyond that period.

Expenditure on research activities is recognised as an expense in the period in which it is incurred. Refer to Note 1(h) *Depreciation and amortisation* and Note 1(i) *Impairment of non-financial assets*.

n) Liabilities

Payables

Payables consist of:

- contractual payables, such as accounts payable, and unearned income including deferred income from concession arrangements. Accounts payable represent liabilities for goods and services provided to the Board prior to the end of the financial year that are unpaid, and arise when the Board becomes obliged to make future payments in respect of the purchase of those goods and services, and
- statutory payables, such as goods and services tax and fringe benefits tax payables.

Contractual payables are classified as financial instruments and categorised as financial liabilities at amortised cost (refer to Note 1[k]). Statutory payables are recognised and measured similarly to contractual payables, but are not classified as financial instruments and not included in the category of financial liabilities at amortised cost, because they do not arise from a contract.

Provisions

Provisions are recognised when the Board has a present obligation, the future sacrifice of economic benefits is probable, and the amount of the provision can be measured reliably.

The amount recognised as a liability is the best estimate of the consideration required to settle the present obligation at reporting period, taking into account the risks and uncertainties surrounding the obligation. Where a provision is measured using the cash flows estimated to settle the present obligation, its carrying amount is the present value of those cash flows, using a discount rate that reflects the time value of money and risks specific to the provision.

When some or all of the economic benefits required to settle a provision are expected to be received from a third party, the receivable is recognised as an asset if it is virtually certain that recovery will be received and the amount of the receivable can be measured reliably.

Employee benefits

Provision is made for benefits accruing to employees in respect of wages and salaries, annual leave and long-service leave for services rendered to the reporting date.

(i) Wages and salaries, annual leave and sick leave

Liabilities for wages and salaries and annual leave are recognised in the provision for employee benefits, classified as current liabilities. Those liabilities that are expected to be settled within 12 months of the reporting period are measured at their nominal values.

Those liabilities that are not expected to be settled within 12 months are also recognised in the provision for employee benefits as current liabilities, but are measured at present value of the amounts expected to be paid when the liabilities are settled using the remuneration rate expected to apply at the time of settlement.

(ii) Long-service leave

Liability for long-service leave (LSL) is recognised in the provision for employee benefits.

Unconditional LSL is disclosed in the notes to the financial statements as a current liability; even where the Board does not expect to settle the liability within 12 months because it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

The components of this current LSL liability are measured at:

- nominal value-component that the Board expects to settle within 12 months, and
- present value-component that the Board does not expect to settle within 12 months.

Conditional LSL is disclosed as a non-current liability.

There is an unconditional right to defer the settlement of the entitlement until the employee has completed the requisite years of service.

This non-current LSL liability is measured at present value. Any gain or loss following revaluation of the present value of non-current LSL liability is recognised as a transaction, except to the extent that a gain or loss arises due to changes in bond interest rates for which it is then recognised as an 'other economic flow' (refer to Note 1[i]).

Employee benefits on-costs

Employee benefits on-costs such as payroll tax, workers compensation and superannuation are recognised separately from the provision for employee benefits.

Derecognition of financial liabilities

A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

o) Leases

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

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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 infrastructure 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

Board as lessee

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. Contingent rentals associated with finance leases are recognised as an expense in the period in which they are incurred.

Finance leases include motor vehicles.

Operating leases

Board as lessor

Rental income from operating leases is recognised on a straight-line basis over the term of the relevant lease.

All incentives for the agreement of a new or renewed operating lease are recognised as an integral part of the net consideration agreed for the use of the leased asset, irrespective of the incentive's nature or form or the timing of payments.

In the event that lease incentives are given to the lessee, the aggregate cost of incentives are recognised as a reduction of rental income over the lease term, on a straight-line basis unless another systematic basis is more representative of the time pattern over which the economic benefit of the leased asset is diminished.

Operating leases include premises for Mr Tulk Cafe and the Wheeler Centre.

Board as lessee

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.

All incentives for the agreement of a new or renewed operating lease are recognised as an integral part of the net consideration agreed for the use of the leased asset, irrespective of the incentive's nature or form or the timing of payments.

In the event that lease incentives are received to enter into operating leases, the aggregate cost of incentives are recognised as a reduction of rental expense over the lease term on a straight-line basis, unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Operating leases include ICT equipment.

p) Equity

Contributions by owners

Additions to net assets that 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.

Specific purpose grants reserve

This represents grants received by the Library and Foundation 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 Comprehensive Operating Statement and results in a transfer from the reserve.

Donations and bequests reserve

Represents the balance of unexpended donations and other income for the Library and Foundation. An allocation is made annually from this reserve by the Foundation to the specific purpose grant reserve to support State Library of Victoria activities.

General reserve

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

Financial assets valuation reserve

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

q) Commitments

Commitments are disclosed at their nominal value and inclusive of the goods and services tax (GST) payable.

r) Contingent assets and contingent liabilities

Contingent assets and contingent liabilities are not recognised in the balance sheet, but are disclosed by way of a note and, if quantifiable, are measured at nominal value. Contingent assets and liabilities are presented inclusive of GST receivable or payable respectively.

s) Accounting for the goods and services tax (GST)

Income, expenses and assets are recognised net of the amount of associated GST, unless the GST incurred is not recoverable from the taxation authority. In this case, it is recognised as part of the cost of acquisition of the asset or as part of the expense.

1 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONT'D)

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 taxation authority 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 that are recoverable from or payable to the taxation authority are presented as operating cash flow.

t) Events after the reporting period

Assets, liabilities, income or expenses arise from past transactions or other past events. Where the transactions result from an agreement between the Board and other parties, the transactions are only recognised when the agreement is irrevocable at or before the end of the reporting period. Adjustments are made to amounts recognised in the financial statements for events that occur after the reporting period and before the date the financial statements are authorised for issue, where those events provide information about conditions that existed in the reporting period. Note disclosure is made about events between the end of the reporting period and the date the financial statements are authorised for issue where the events relate to conditions that arose after the end of the reporting period and may have a material impact on the results of subsequent reporting periods.

u) Australian Accounting Standards issued that are not yet effective

Certain new Australian Accounting Standards have been published that are not mandatory for the 30 June 2014 reporting period. DTF assesses the impact of all these new standards and advises the Board of their applicability and early adoption where applicable.

As at 30 June 2014, the following standards and interpretations that are applicable to the Board had been issued but are not mandatory for the financial year ending 30 June 2014. Standards and interpretations that are not applicable to the Board have been omitted. The Board has not early adopted these standards. No significant impact on the financial statements is expected from the following standards:

AASB 9	Financial Instruments.
AASB 10	Consolidated Financial Statements.
AASB 2010-7	Amendments to Australian Accounting Standards arising from AASB 9.
AASB 2011-7	Amendments to Australian Accounting Standards arising from the Consolidation Joint Arrangements Standards.
AASB 2013-1	Amendments to AASB 1049 – Relocation of Budgetary Reporting Requirements.
AASB 2013-3	Amendments to AASB 136 – Recoverable Amount Disclosures for Non-Financial Assets.
AASB 2013-6	Amendments to AASB 136 arising from Reduced Disclosure Requirements.
AASB 2013-9	Amendments to Australian Accounting Standards – Conceptual framework, Materiality and Financial Instruments.

	Note	CONSOLIDATED		STATE LIBRARY OF VICTORIA	
		2014	2013	2014	2013
		\$'000	\$'000	\$'000	\$'000
2 CASH AND DEPOSITS					
Cash on hand	29(a)	4	4	4	4
Australian dollar term deposits	29(a)	2,720	2,314	1,500	-
Cash at bank	29(a)	1,194	5,321	1,155	5,297
		3,918	7,639	2,659	5,301

3 RECEIVABLES					
Current					
Contractual					
Debtors – external		590	515	579	504
State Library of Victoria Foundation		-	-	4	98
Franking credits receivable		171	116	-	-
Accrued interest receivable		8	4	8	4
		769	635	591	606
Statutory GST recoverable		291	227	291	227
Total current receivables		1,060	862	882	833

a) Ageing analysis of contractual receivables

Please refer to Note 30 for the ageing analysis of contractual receivables.

b) Nature and extent of risk arising from contractual receivables

Please refer to Note 30 for the nature and extent of risks arising from contractual receivables.

4 FINANCIAL ASSETS CLASSIFIED AS AVAILABLE FOR SALE					
Current					
State Library of Victoria Foundation					
Available for sale financial assets					
Cash management (at fair value)		1,687	1,425	-	-
Fixed interest securities (at fair value)		3,922	3,685	-	-
	29(a)	5,609	5,110	-	-
Equities					
Australian listed equity securities (at fair value)		7,074	6,570	-	-
Property Trust (at fair value)		967	1,245	-	-
Total other financial assets		13,650	12,925	-	-

a) Ageing analysis of financial assets classified as available for sale

Please refer to Note 30 for the ageing analysis of contractual receivables.

b) Nature and extent of risk arising from financial assets classified as available for sale

Please refer to Note 30 for the nature and extent of risks arising from contractual receivables.

5 LIBRARY COLLECTIONS**a) Classification by 'purpose groups – gross carrying amounts and accumulated depreciation**

	CONSOLIDATED - Public Administration					
	Gross carrying value		Accumulated depreciation		Net carrying amount	
	2014	2013	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Heritage collection at fair value	331,867	329,279	-	-	331,867	329,279
Heritage collection at cost	2,561	1,976	-	-	2,561	1,976
Non-Heritage collection at fair value	158,812	158,812	(9,528)	(6,353)	149,284	152,459
Donated material at fair value	5,844	3,602	(119)	(47)	5,725	3,555
Non-Heritage collection at cost	3,722	2,229	(71)	(22)	3,651	2,207
Closing balance	502,806	495,898	(9,719)	(6,422)	493,088	489,476

b) Collections carried at fair value

An independent valuation of the Board's collections was performed by Simon Storey Valuers to determine the fair value of the collections. 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 arms-length transaction. The valuation was based on independent assessments. The effective date of the valuation is 30 June 2011.

An independent valuation of the Dromkeen collection was performed by Simon Storey Valuers to determine the fair value of the collection. 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 arms-length transaction. The valuation was based on independent assessments. The effective date of the valuation is 30 December 2013.

Items donated to the Library collections have been valued by Library staff except where the donation has been externally valued under the Cultural Gifts program.

c) Classification by 'public administration' purpose group – movements in carrying amounts

	Heritage collection at fair value	Heritage collection at cost	Non-Heritage collection at fair value	Donated material at fair value	Non-Heritage collection at cost	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance	329,279	1,976	152,459	3,555	2,207	489,476
Purchases	-	585	-	-	1,492	2,077
Donated materials	2,588	-	-	2,242	-	4,830
Disposals	-	-	-	-	-	-
Depreciation	-	-	(3,175)	(72)	(48)	(3,295)
Closing balance	331,867	2,561	149,284	5,725	3,651	493,088

6 PROPERTY, PLANT AND EQUIPMENT

a) Classification by 'purpose groups – gross carrying amounts and accumulated depreciation

	CONSOLIDATED - Public Administration					
	Gross carrying value		Accumulated depreciation		Net carrying amount	
	2014	2013	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Land at fair value	46,116	46,116	-	-	46,116	46,116
Buildings at fair value	366,906	366,906	(28,417)	(19,442)	338,489	347,464
Building improvements at cost	315	315	(9)	(6)	306	309
Equipment at fair value	15,305	17,907	(13,019)	(15,323)	2,286	2,584
Equipment under lease at cost	68	33	(18)	(7)	50	26
Work in progress at cost	-	396	-	-	-	396
Closing balance	428,710	431,673	(41,463)	(34,778)	387,247	396,895

b) Classification by 'public administration' purpose group – movements in carrying amounts

	CONSOLIDATED 2014					
	Land at fair value	Buildings at fair value	Equipment at fair value	Equipment under Lease at cost	Work in progress at cost	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance	46,116	347,773	2,584	26	396	396,895
Additions	-	-	254	35	-	289
Transfers	-	-	396	-	(396)	-
Disposals	-	-	-	-	-	-
Depreciation	-	(8,978)	(948)	(11)	-	(9,937)
Closing balance	46,116	338,795	2,286	50	-	387,247

	CONSOLIDATED 2013					
	Land at fair value	Buildings at fair value	Equipment at fair value	Equipment under Lease at cost	Work in progress at cost	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Opening balance	46,116	356,775	3,570	68	260	406,789
Additions	-	-	48	33	136	217
Transfers	-	-	-	-	-	-
Disposals	-	-	-	(57)	-	(57)
Depreciation	-	(9,002)	(1,034)	(18)	-	(10,054)
Closing balance	46,116	347,773	2,584	26	396	396,895

7 FAIR VALUE MEASUREMENT

Restricted assets

The Board holds \$712.9m worth of property listed as heritage assets (land, buildings and collection).

These heritage assets cannot be modified or disposed of without formal ministerial approval.

	Carrying amount as at 30 June 2014 \$'000	Fair value measurement at end of reporting period using:		
		Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
Specialised land at fair value	46,116	-	-	46,116
Buildings at fair value				
Specialised buildings	6,132	-	-	6,132
Heritage buildings	332,357	-	-	332,357
Total buildings at fair value	338,489	-	-	338,489
Building improvements at cost	306	-	306	-
Equipment at fair value	2,286	-	2,286	-
Equipment under lease at cost	50	-	50	-
Cultural assets at fair value	493,088	-	493,088	-
Closing balance	880,335	-	495,730	384,605

There have been no transfers between levels during the period.

Non-specialised land, non-specialised buildings and collection items

Non-specialised land, non-specialised buildings and artworks are valued using the market approach. Under this valuation method, the assets are compared to recent comparable sales or sales of comparable assets which are considered to have nominal or no added improvement value.

For artwork and collection items, valuation of the assets is determined by a comparison to similar examples of the artists work in existence throughout Australia and research on prices paid for similar examples offered at auction or through art galleries in recent years. No revaluation was performed for artwork for the financial period ending at 30 June 2014. An independent valuation of the Board's collections was performed by the Simon Storey Valuers to determine the fair value of the collections. 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 arms-length transaction. The valuation was based on independent assessments. The effective date of the valuation is 30 June 2011. Items donated to the Library collections have been valued by Library staff except where the donation has been externally valued under the Cultural Gifts program. To the extent that non-specialised artworks do not contain significant, unobservable adjustments, these assets are classified as Level 2 under the market approach.

Specialised land, specialised buildings and heritage buildings

The market approach is also used for specialised land, although is adjusted for the community service obligation (CSO) to reflect the specialised nature of the land being valued.

The CSO adjustment is a reflection of the valuer's assessment of the impact of restrictions associated with an asset to the extent that is also equally applicable to market participants. This approach is in light of the highest and best use consideration required for fair value measurement, and takes into account the use of the asset that is physically possible, legally permissible, and financially feasible. As adjustments of CSO are considered as significant unobservable inputs, specialised land would be classified as Level 3 assets.

For the Board's majority of specialised buildings, the depreciated replacement cost method is used, adjusting for the associated depreciation. As depreciation adjustments are considered as significant, unobservable inputs in nature, specialised buildings are classified as Level 3 fair value measurements.

An independent valuation of the Board's specialised land and specialised buildings was performed by the Valuer-General Victoria. The valuation was performed using the market approach adjusted for CSO. The effective date of the valuation is 30 June 2011.

7 FAIR VALUE MEASUREMENT (CONT'D)**Vehicles**

Vehicles are valued using the depreciated replacement cost method. The Board acquires new vehicles and at times disposes of them before the end of their economic life. The process of acquisition, use and disposal in the market is managed by experienced fleet managers who set relevant depreciation rates during use to reflect the utilisation of the vehicles.

Plant and equipment

Plant and equipment is held at fair value, which is determined using the depreciated replacement cost method.

There were no changes in valuation techniques throughout the period to 30 June 2014.

For all assets measured at fair value, the current use is considered the highest and best use except for land. The highest and best use for the land, if unrestricted, is for a mixed use development comprising a combination of retail, office and high density residential use.

Reconciliation of Level 3 fair value

	Specialised land	Specialised buildings	Heritage buildings
	\$'000	\$'000	\$'000
Opening balance	46,116	6,400	341,064
Additions	-	-	-
Transfers in (out) of level 3	-	-	-
Gains or losses recognised in net result			
Depreciation	-	(268)	(8,706)
Closing balance	46,116	6,132	332,357

Description of significant unobservable inputs to Level 3 valuations

	Valuation technique	Significant unobservable inputs	Range (weighted average)	Sensitivity of fair value measurement to changes in significant unobservable inputs
Specialised land	Market approach	Community Service Obligation (CSO) adjustment	45–77% (58%)	A significant increase or decrease in the CSO adjustment would result in a significantly lower (higher) fair value
Specialised buildings	Depreciated replacement cost	Direct cost per square metre	\$400–\$2,500/m ² (\$698)	A significant increase or decrease in direct cost per square metre adjustment would result in a significantly higher or lower fair value
		Useful life of specialised buildings	5–40 years (22 years)	A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation
Heritage buildings	Depreciated replacement cost	Direct cost per square metre	\$5,000–\$6,250 m ² (\$5,625)	A significant increase or decrease in direct cost per square metre adjustment would result in a significantly higher or lower fair value
		Useful life of specialised buildings	5–100 years (76 years)	A significant increase or decrease in the estimated useful life of the asset would result in a significantly higher or lower valuation

	CONSOLIDATED		STATE LIBRARY OF VICTORIA	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
8 DEFERRED EXPENDITURE				
CARM Centre, Bundoora	1,000	1,000	1,000	1,000
Less accumulated amortisation	(999)	(999)	(999)	(999)
	<u>1</u>	<u>1</u>	<u>1</u>	<u>1</u>
9 PAYABLES				
Current				
Contractual				
Creditors – external	1,094	1,188	1,094	1,188
Prepaid revenue	40	109	40	109
	<u>1,134</u>	<u>1,297</u>	<u>1,134</u>	<u>1,297</u>
a) Maturity analysis of contractual payables				
Please refer to Note 30 for the ageing analysis of contractual payables.				
b) Nature and extent of risk arising from contractual payables				
Please refer to Note 30 for the nature and extent of risks arising from contractual payables.				
10 OTHER LIABILITIES				
Accrued expenses	241	1,401	241	1,401
11 INTEREST-BEARING LIABILITIES (motor vehicles)				
Finance lease – current	14	7	14	7
Finance lease – non-current	37	20	37	20
	<u>51</u>	<u>27</u>	<u>51</u>	<u>27</u>

a) Maturity analysis of interest-bearing liabilities

Please refer to Note 30 for the ageing analysis of interest-bearing liabilities.

b) Nature and extent of interest-bearing liabilities

Please refer to Note 30 for the nature and extent of risks arising from interest-bearing liabilities.

c) Defaults and breaches

During the current and prior year, there were no defaults or breaches of any of the leases

	Note	CONSOLIDATED		STATE LIBRARY OF VICTORIA	
		2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
12 PROVISIONS					
Current provisions					
Employee benefits					
Annual leave entitlements					
- Unconditional and expected to be settled within 12 months		1,149	1,118	1,149	1,118
- Unconditional and expected to be settled after 12 months		575	632	575	632
Long-service leave entitlements					
- Unconditional and expected to be settled within 12 months		512	490	512	490
- Unconditional and expected to be settled after 12 months		4,278	3,969	4,278	3,969
		<u>6,514</u>	<u>6,209</u>	<u>6,514</u>	<u>6,209</u>
Provisions related to benefit on-costs					
- Unconditional and expected to be settled within 12 months		221	212	221	212
- Unconditional and expected to be settled after 12 months		745	694	745	694
		<u>966</u>	<u>906</u>	<u>966</u>	<u>906</u>
Total current provisions		<u>7,480</u>	<u>7,115</u>	<u>7,480</u>	<u>7,115</u>
Non-current provisions					
Employee benefits		289	446	289	446
Provisions related to benefit on-costs		45	68	45	68
Total non-current provisions		<u>334</u>	<u>514</u>	<u>334</u>	<u>514</u>
Total provisions	11(a)	<u>7,814</u>	<u>7,629</u>	<u>7,814</u>	<u>7,629</u>
(a) Employee benefits and related on-costs					
Current employee benefits					
Annual leave entitlements		1,724	1,750	1,724	1,750
Unconditional long-service entitlements		4,790	4,459	4,790	4,459
Non-current employee benefits					
Conditional long-service entitlements		289	446	289	446
Total employee benefits		<u>6,803</u>	<u>6,655</u>	<u>6,803</u>	<u>6,655</u>
Current on-costs		966	906	966	906
Non-current on-costs		45	68	45	68
Total on-costs		<u>1,011</u>	<u>974</u>	<u>1,011</u>	<u>974</u>
Total employee benefits and related on-costs		<u>7,814</u>	<u>7,629</u>	<u>7,814</u>	<u>7,629</u>
(b) Movement in provisions					
Movement in long-service leave					
Opening balance		5,648	5,356	5,648	5,356
Additional provisions recognised		786	701	786	701
Reductions arising from payments		(572)	(409)	(572)	(409)
Closing balance		<u>5,862</u>	<u>5,648</u>	<u>5,862</u>	<u>5,648</u>

		CONSOLIDATED		STATE LIBRARY OF VICTORIA	
		2014	2013	2014	2013
	Note	\$'000	\$'000	\$'000	\$'000
13 EQUITY AND MOVEMENTS IN EQUITY					
(a) Contributed capital					
Balance at beginning of the year		557,514	557,514	557,514	557,514
Balance at end of the year		557,514	557,514	557,514	557,514
(b) Accumulated surplus					
Accumulated surplus at beginning of the year		(17,479)	(6,570)	(17,479)	(6,570)
Net result for the year		(7,648)	(8,581)	(7,090)	(9,746)
Net transfer (to)/from donations and bequests reserve		(49)	(844)	(39)	(132)
Net transfer (to)/from specific purpose grants reserve		416	(1,484)	(152)	(1,031)
Accumulated surplus at end of the year		(24,760)	(17,479)	(24,760)	(17,479)
(c) Physical asset revaluation surplus					
Land and buildings asset revaluation surplus					
Balance at beginning of the year		23,616	23,616	23,616	23,616
Movement		-	-	-	-
Balance at end of the year		23,616	23,616	23,616	23,616
The revaluation surplus arises on the revaluation of land and buildings					
Collection asset revaluation surplus					
Balance at beginning of the year		309,484	309,484	309,484	309,484
Movement		-	-	-	-
Balance at end of the year		309,484	309,484	309,484	309,484
The revaluation surplus arises on the revaluation of the collection					
Total of the asset revaluation surplus					
Balance at beginning of the year		333,100	333,100	333,100	333,100
Movement		-	-	-	-
Balance at end of the year		333,100	333,100	333,100	333,100
(d) General reserve					
Balance at beginning of the year		1,000	1,000	1,000	1,000
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		13,453	12,609	2,017	1,885
Transfer (to)/from accumulated surplus		49	844	39	132
Balance at end of the year	13	13,502	13,453	2,056	2,017

		CONSOLIDATED		STATE LIBRARY OF VICTORIA	
	Note	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000
13 EQUITY AND MOVEMENTS IN EQUITY (CONT'D)					
(f) Specific purpose grants reserve					
Balance at beginning of the year		10,417	8,933	6,818	5,787
Transfer (to)/from accumulated surplus		(416)	1,484	152	1,031
Balance at end of the year	14	10,001	10,417	6,970	6,818
(g) Financial assets valuation reserve					
Balance at beginning of the year		257	-	-	-
Unrealised capital gains/(losses)		353	257	-	-
Balance at end of the year		610	257	-	-
Total equity at the end of the year		890,967	898,262	875,880	882,970

	CONSOLIDATED			
	2013 B/fwd balance \$'000	2014 Transfer from accum. surplus \$'000	2014 Transfer to accum. surplus \$'000	2014 C/fwd balance \$'000

14 DONATIONS AND BEQUESTS RESERVE

State Library of Victoria

C Sunderberg Estate	144	4	-	148
Constance Thomson Estate	9	1	-	10
Ethel Cutten Estate	149	4	-	153
Frederick Bryan Bequest	35	1	-	36
K Wilson Bequest	91	3	-	94
Kurt Offenburger Bequest	1	-	1	-
LM Henderson Estate	192	6	-	198
MV Anderson Estate	4	-	-	4
Margery Ramsay Estate	86	2	-	88
Phillip Joseph Winthrop Bequest	6	-	-	6
Sir Irving Benson Estate	445	14	-	459
T Buesst Bequest	140	4	-	144
VG Dobbie Bequest	130	4	-	134
VJ Chalmers Estate	135	4	-	139
Shirley Horne Bequest	305	15	-	320
Margery Pierce Bequest	6	-	-	6
Rosemary Anne Woodfull Bequest	6	-	-	6
Deborah Ruth Priest Bequest	28	-	28	-
Russell Henry Beedles Bequest	100	3	-	103
CJ La Trobe Bequest	5	-	-	5
L Masel Bequest	-	3	-	3
	2,017	68	29	2,056
State Library of Victoria Foundation	11,436	1,550	1,540	11,446
Total Library Board of Victoria	13,453	1,618	1,569	13,502

			CONSOLIDATED	
	2013	2014	2014	2014
	B/fwd	Transfer	Transfer	C/fwd
	balance	from accum.	to accum.	balance
		surplus	surplus	
	\$'000	\$'000	\$'000	\$'000

15 SPECIFIC PURPOSE GRANTS RESERVE

During the 2013–14 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 that remain unexpended as at 30 June 2014. The balance of this reserve account consists of the following grants:

Directorate

Ann Oldham Aurora Institute Fund	5	-	-	5
Berry Family Fellowship	126	8	-	134
Besen Family Foundation – Dr Joseph Brown AO Fellowship	5	-	-	5
CEO strategic projects	698	1,721	1,731	688
Community training	350	-	350	-
Dome Centenary	76	68	108	36
Foundation Development Fund 12-13	705	-	636	69
Foundation Development Fund 13-14	-	1,570	20	1,550
Gorman Foundation	13	-	-	13
CEO discretionary funds	150	260	389	21
Medieval and Renaissance Manuscripts in Australia	10	10	-	20
National and State Libraries Australasia	179	345	444	80
Visions Campaign	-	65	46	19
Sir Wilfred Brookes Charitable Foundation	-	12	-	12
SLV Building Fund	-	141	-	141
Foundation annual campaign	-	22	-	22
Foyer Touchscreen	-	80	16	64
New Technology for exhibitions	-	200	74	126
Mobile applications	-	60	58	2
Digital strategic Initiatives	-	20	-	20
Service model redesign	-	200	169	31
Audience development	-	32	16	16
Audience driven programming	-	24	24	-
Web redevelopment	-	115	115	-

Collection Interpretation

A history of Victoria during the First World War	34	8	22	20
<i>Bohemian Melbourne</i> exhibition	-	26	25	1
Clunes book festival	-	1	-	1
Collection Interpretation special projects	-	10	10	-
<i>Dromkeen one</i> exhibition	-	51	51	-
<i>Dromkeen two</i> exhibition	-	4	-	4
Enchanted dome	1	-	1	-
<i>Free, secular and democratic</i> exhibition	-	39	35	4
History of State Library of Victoria book	16	-	16	-
<i>Look!</i> exhibition	2	-	2	-
<i>Look!</i> Vision tour funds	9	3	12	-
<i>Newspaper</i> exhibition	6	6	-	12
<i>Rome: Piranesi's Vision</i> exhibition	18	79	97	-

	CONSOLIDATED			
	2013	2014	2014	2014
	B/fwd balance	Transfer from accum. surplus	Transfer to accum. surplus	C/fwd balance
	\$'000	\$'000	\$'000	\$'000
15 SPECIFIC PURPOSE GRANTS RESERVE (CONT'D)				
Rare Books Summer School	9	9	18	-
<i>ST Gill</i> exhibition	5	26	22	9
Strategic publishing	-	15	15	-
<i>Victor Hugo: From page to stage</i> exhibition	467	181	543	105
Word & image (V&A touring exhibition)	-	24	19	5
Fellowships				
AGL Shaw Summer Research Fellowships	1	6	6	1
Baldessin Press Studio Residency	-	5	-	5
Creative Fellowships	-	100	100	-
La Trobe Society Fellowship	-	13	13	-
SLV Dome Centenary Fellowship	-	100	100	-
Collection Management				
Art and Architecture Archive	-	28	28	-
Benson bequest	4	-	-	4
Dromkeen collection project	35	3	38	-
Foundation external grants	2	19	19	2
Holocaust collection	2	-	-	2
iPres2014 conference	10	6	16	-
<i>Look!</i> Vision tour funds	5	-	1	4
Offenburg bequest	-	1	1	-
Pictures	1	-	-	1
Rare books	-	5	5	-
Russell Beedles Collection	25	-	25	-
Sybil Craig bequest	34	28	55	7
Suncorp and Beedles preservation project	-	75	45	30
Tapestry	127	206	333	-
The Ten Commandments	-	20	-	20
WG Alma Estate	49	18	20	47
Storage & Digital Collection Services				
Illuminated manuscripts digitisation	14	-	-	14
Library heritage digitisation	52	-	11	41
Newspaper digitisation	328	45	103	270
Oral history digitising project	131	-	68	63
State Library of NSW preservation review	21	-	-	21
Victoria 175	9	-	4	5
Visualising Victoria's groundwater	15	-	9	6
Alexander Street Press	-	30	2	28
Newspaper reconfiguration project	-	300	50	250
Journal of Commerce Digitisation CPAA	-	5	-	5

	CONSOLIDATED			
	2013	2014	2014	2014
	B/fwd balance	Transfer from accum. surplus	Transfer to accum. surplus	C/fwd balance
	\$'000	\$'000	\$'000	\$'000
15 SPECIFIC PURPOSE GRANTS RESERVE (CONT'D)				
Social Inclusion				
Kindergartens IT Project	173	1,410	1,078	505
Multilingual government information online project	53	25	48	30
MyLanguage	179	35	26	188
Victoria's Virtual Library	16	-	-	16
Open Road conference	5	-	5	-
DEECD IED website	44	1	-	45
ICT Disability working group	8	-	-	8
Auda grant – Multilingual U3A online	2	-	2	-
Learning Services				
ABC creative writing portal	-	27	7	20
ALL – Ellen Koshland	-	75	38	37
Bookgigs	10	-	10	-
Booktalkers for professionals	9	-	9	-
Booktalkers for teenagers	66	-	66	-
Children's Book Festival	-	68	68	-
CYL core programming	-	87	21	66
CYL program development	-	5	2	3
Community ICT Skills Grants 2	165	4	95	74
Community training	6	-	-	6
DEECD – Next Practice Program	51	-	-	51
DEECD – Strategic Partnerships Program	50	28	24	54
Digital development	-	20	2	18
FUSE	103	-	103	-
Inky awards	-	25	9	16
Innovation grants project	-	15	3	12
Knowledge Bank: Next Generation	117	-	117	-
Learning Spaces	19	-	19	-
Open Access Program – Mrs MS Ross AM	22	-	20	2
Professional development	7	-	3	4
Personal Learning Network	31	-	17	14
Reading Matters	38	-	8	30
Reading Families	12	1	13	-
Regional programs	12	5	6	11
Shell Outreach Project	26	-	26	-
Student programs	19	-	19	-
Travelling Treasures	23	-	23	-
Trust Company Literacy Outreach Program	6	-	-	6
Writer in residence	-	10	3	7

	CONSOLIDATED			
	2013	2014	2014	2014
	B/fwd balance	Transfer from accum. surplus	Transfer to accum. surplus	C/fwd balance
	\$'000	\$'000	\$'000	\$'000
15 SPECIFIC PURPOSE GRANTS RESERVE (CONT'D)				
Public Libraries				
Frontline Victoria	46	1	34	13
Library network and support	889	1,164	1,698	355
Summer Read	28	38	58	8
Disability Awareness Kit online	26	60	71	15
Access and Information				
Aborigines Advancement League archive	4	-	-	4
Agnes Robertson Trust record digitisation	13	-	13	-
Australian Jewish Historical Society	4	-	-	4
Coles Myer Ltd	4	-	4	-
Disability	1	-	-	1
Foundation development fund	6	-	6	-
Geo-referencing	-	5	-	5
New technology	7	-	7	-
Online document delivery project	5	-	-	5
Suncorp Insurance archive	72	15	43	44
Port Phillip Papers Digitisation Project	9	-	-	9
Publications				
Branding	-	210	116	94
<i>La Trobe Journal</i> digitisation	6	-	-	6
Library research	23	-	23	-
Library marketing	59	-	59	-
Rich media content project	18	-	18	-
<i>SLV News</i>	58	-	40	18
Victor Hugo marketing	-	46	46	-
Community Programs				
RE Ross Trust Playwrights' Script Development Awards	80	81	83	78
The Redmond Barry Lecture	4	4	7	1
The Stephen Murray-Smith Memorial Lecture	-	4	-	4
Poetry Slam	-	18	-	18
Foxcroft Lecture	-	1	-	1
Carnival of curiosity	-	68	68	-
Dome centenary events	-	48	36	12
Events program for Look!The Art of Australian books	1	-	1	-
Creative fellows showcase	-	25	18	7
Big ideas under the dome	-	76	22	54
White Night Melbourne	8	60	69	-

	CONSOLIDATED			
	2013	2014	2014	2014
	B/fwd balance	Transfer from accum. surplus	Transfer to accum. surplus	C/fwd balance
	\$'000	\$'000	\$'000	\$'000
15 SPECIFIC PURPOSE GRANTS RESERVE (CONT'D)				
ASA lecture series	-	2	1	1
Melbourne Knowledge week	-	2	1	1
Claude-Michel Shonberg in conversation	-	3	3	-
Alliance Francaise reception	-	4	4	-
Official launch: <i>Rome: Piranesi's Vision</i>	-	28	28	-
Piranesi events programming	-	33	16	17
New programming	-	335	335	-
Forecourt program	-	135	64	71
The Grattan Institute – The Policy Pitch	-	2	1	1
Creative fellowship programs	-	5	5	-
Making public histories	-	3	3	-
Zine Fair	-	11	8	3
People and Property				
Chiller replacement strategy	-	30	30	-
Experimedia exhibition works	-	226	226	-
Facades project	-	602	158	444
North west courtyard	-	131	131	-
Sprinkler pipe project	-	613	597	16
Queen's Hall maintenance	426	-	50	376
Total State Library of Victoria	6,818	12,378	12,226	6,970
SLV Development Fund (Foundation)	3,599	982	1,550	3,031
Total State Library of Victoria Foundation	3,599	982	1,550	3,031
Total Library Board of Victoria	10,417	13,360	13,776	10,001
Summary of reserve movements				
Total of donations and bequests reserve	2,017	68	29	2,056
Total of specific purpose grants reserve	6,818	12,378	12,226	6,970
	8,835	12,446	12,255	9,026
State Library of Victoria Foundation				
Total of donations and bequests reserve	11,436	1,550	1,540	11,446
Total of specific purpose grants reserve	3,599	982	1,550	3,031
	15,035	2,532	3,090	14,477
Consolidated				
Total of donations and bequests reserve	13,453	1,618	1,569	13,502
Total of specific purpose grants reserve	10,417	13,360	13,776	10,001
	23,870	14,978	15,345	23,503

	CONSOLIDATED		STATE LIBRARY OF VICTORIA	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
16 GOVERNMENT FUNDING				
Government appropriation	37,917	40,126	37,917	40,126
Capital funding	1,245	-	1,245	-
Total	39,162	40,126	39,162	40,126
17 TRADING INCOME				
Vicnet	164	240	164	240
Other	1,562	1,935	1,556	1,879
Total	1,726	2,175	1,720	2,119

Other income includes Venue hire, ticket sales, direct delivery and cost recoveries

	CONSOLIDATED		STATE LIBRARY OF VICTORIA	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
18 PROJECTS FUNDED FROM EXTERNAL SOURCES				
Department of Planning and Community Development				
A history of Victoria during the First World War	-	9	-	9
Department of Premier and Cabinet				
Multilingual government information online project	25	75	25	75
A history of Victoria during the First World War	9	-	9	-
Department of Education and Early Childhood Development				
Family learning	-	2	-	2
Kindergarten IT Project	1,410	1,102	1,410	1,102
Strategic Partnerships Program	28	29	28	29
RE Ross Trust				
Oral history digitising project	-	212	-	212
RE Ross Trust Playwright's Award	81	80	81	80
Sidney Myer Fund				
Newspaper digitisation	45	45	45	45
Cabcharge Australia Ltd				
<i>Centenary of the Dome</i>	-	300	-	-
Victor Hugo: From page to stage exhibition sponsors:				
Gordon Darling Foundation	15	-	15	-
Lazard Pty Ltd	50	-	50	-
The Mackintosh Foundation	18	-	18	-
Tourism Victoria	90	-	90	-
Other externally funded grants				
ACMI – Australian Centre for the Moving Image	9	9	9	9
ANZ Trustees Limited	7	8	7	8
Australia Council	50	51	50	51
Australian Institute for Teaching and School Leadership Ltd	-	12	-	12
Bates Smart Pty Ltd	15	15	15	15
City of Melbourne	23	-	23	-
Copyright Agency Limited	15	15	15	15
CO.AS.IT – Italian Historical Society	25	-	25	-
Humanities 21 Inc	-	10	-	10
Linc Tasmania	23	18	23	18
Museum Victoria	18	18	18	18
National Gallery of Victoria	34	35	34	35

	CONSOLIDATED		STATE LIBRARY OF VICTORIA	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
18 PROJECTS FUNDED FROM EXTERNAL SOURCES (CONT'D)				
National Library of Australia	-	86	-	86
National Library of New Zealand	-	46	-	46
NewSouth Publishing	-	15	-	15
Perpetual Trustee Company Ltd	7	10	7	10
Readings Pty Ltd	45	-	45	-
State libraries – NSW, WA, QLD, SA, NT, ACT	253	341	253	341
The Wheeler Centre	252	254	252	254
University of Ballarat	-	15	-	15
University of Melbourne	21	57	21	57
Victorian Arts Centre Trust	9	9	9	9
Victorian Health Promotion Foundation	-	5	-	5
Victorian Major Events Company	47	32	47	32
Other	27	12	25	7
	2,651	2,927	2,649	2,622
19 DONATIONS AND BEQUESTS				
State Library of Victoria				
Donations in kind – Dromkeen collection	2,588	-	2,588	-
Donations in kind – other	2,242	1,254	2,242	1,254
State Library of Victoria Foundation	-	-	1,664	887
Bequests	8	100	8	100
Other donations	553	226	553	226
Total State Library of Victoria	5,391	1,580	7,055	2,467
State Library Of Victoria Foundation				
Memberships	155	120	-	-
Donations	150	215	-	-
Total State Library of Victoria Foundation	305	335	-	-
Total Library Board of Victoria	5,696	1,915	7,055	2,467

	CONSOLIDATED		STATE LIBRARY OF VICTORIA	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
20 INVESTMENT REVENUE				
(a) Investment revenue				
Interest revenue – general	509	697	192	144
Interest revenue – bequests	59	66	59	63
Dividends received	664	602	-	-
	<u>1,232</u>	<u>1,365</u>	<u>251</u>	<u>207</u>
(b) Capital movements				
Realised capital gains	<u>505</u>	<u>911</u>	<u>-</u>	<u>-</u>
	505	911	-	-
21 EMPLOYEE EXPENSES				
Salaries	22,537	22,395	22,194	22,249
Superannuation	2,256	2,165	2,224	2,152
Other salary-related costs	4,576	4,769	4,521	4,732
	<u>29,369</u>	<u>29,329</u>	<u>28,939</u>	<u>29,133</u>
22 BUILDINGS AND FACILITIES EXPENSES				
Security	1,277	1,374	1,277	1,373
Repairs and maintenance	2,513	2,131	2,513	2,131
Insurance	771	768	771	768
Cleaning	865	850	865	850
Utilities	1,152	1,161	1,152	1,161
Other	101	71	101	71
	<u>6,679</u>	<u>6,355</u>	<u>6,679</u>	<u>6,354</u>
23 DEPRECIATION				
Buildings	8,978	9,003	8,978	9,003
Plant & equipment	948	1,033	948	1,033
Motor vehicles	11	18	11	18
Library collection	3,297	3,246	3,297	3,246
	<u>13,234</u>	<u>13,300</u>	<u>13,234</u>	<u>13,300</u>

	CONSOLIDATED		STATE LIBRARY OF VICTORIA	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
24 PROFESSIONAL AND FINANCE EXPENSES				
Audit – internal and external	155	258	150	249
Consultancy and other costs	1,580	1,305	1,418	1,222
	1,735	1,563	1,568	1,471
25 BORROWING COSTS				
Finance lease interest	2	2	2	2
26 GRANTS DISTRIBUTED				
Community skills and networks	89	42	89	42
Refund of unused grants	10	-	10	-
Library networks	54	28	54	28
	153	70	153	70
27 OTHER EXPENSES FROM ORDINARY ACTIVITIES				
Information technology	3,177	3,065	3,172	3,063
IT operating leases	980	1,122	980	1,122
Office administration	157	308	147	236
Storage and conservation	365	315	365	315
Marketing and promotion	1,917	1,888	1,884	1,557
Communications	337	369	322	360
Travel and related expenses	332	314	318	310
Publications	138	162	119	156
	7,403	7,543	7,307	7,119
28 REMUNERATION OF AUDITORS				
Fees paid and payable to the Auditor-General for auditing the financial report	34	34	30	30

The Auditor-General provided no other services.

		CONSOLIDATED		STATE LIBRARY OF VICTORIA	
	Note	2014 \$'000	2013 \$'000	2014 \$'000	2013 \$'000

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	4	4	4	4
Deposits	2	2,720	2,314	1,500	-
Cash at bank	2	1,194	5,321	1,155	5,297
Investments	4	5,609	5,110	-	-
		9,527	12,749	2,659	5,301

b) Reconciliation of net result for the year

Net result for the year		(7,648)	(8,581)	(7,090)	(9,746)
Non-cash movements					
Depreciation		13,234	13,300	13,234	13,300
(Gain)/loss on sale of non-financial assets		(2)	(6)	(2)	(6)
Donations in kind – Dromkeen collection		(2,588)	-	(2,588)	-
Donations in kind		(2,242)	(1,254)	(2,242)	(1,254)
Gain on sale of available-for-sale financial assets		(505)	(911)	-	-
Other non-cash movements		9	-	9	-
Movements in assets and liabilities					
Increase in provisions		185	206	185	206
Decrease/(increase) in receivables		(198)	(77)	(142)	(121)
Decrease/(increase) in prepayments		(752)	(16)	(752)	(16)
Increase/(decrease) in payables		(163)	734	(163)	734
Decrease in other liabilities		(1,160)	(747)	(1,160)	(747)
Net cash flows from/(used in) operating activities		(1,830)	2,648	(711)	2,350

c) Non-cash financing and investing activities**Acquisition of collections**

During the year the consolidated entity received collections with an aggregate fair value of \$4,830,771 (2013: \$1,254,370) through public donations. These acquisitions are not reflected in the cash flow statement.

Leased assets

During the year the consolidated entity acquired leased motor vehicles of \$35,203 (2013: \$32,998). 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.

The Board's main financial risks include credit risk, liquidity risk, interest rate risk and equity price risk.

The Board uses different methods to measure and manage the different risks to which it is exposed. Primary responsibility for the identification and management of financial risks rests with the Chief Financial Officer.

30 FINANCIAL INSTRUMENTS (CONT'D)**b) Categorisation of financial instruments**

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

					CONSOLIDATED
2014		Contractual financial assets – loans and receivables	Contractual financial assets available-for-sale	Contractual financial liabilities at amortised cost	Total
		\$'000	\$'000	\$'000	\$'000
Contractual financial assets					
Cash and deposits		3,918	-	-	3,918
Receivables	Franking credits	171	-	-	171
	Debtors	590	-	-	590
	Accrued investment income	8	-	-	8
	SLV Foundation current account	-	-	-	-
Investments and other financial assets					
	Equities	-	7,074	-	7,074
	Property trust	-	967	-	967
	Fixed interest securities	-	3,922	-	3,922
	Cash management account	1,687	-	-	1,687
Total contractual financial assets		6,374	11,963	-	18,337
Contractual financial liabilities					
Payables	Supplies and services	-	-	1,134	1,134
	Lease liabilities	-	-	51	51
Total contractual financial liabilities		-	-	1,185	1,185
2013					
Contractual financial assets					
Cash and deposits		7,639	-	-	7,639
Receivables	Franking credits	116	-	-	116
	Debtors	515	-	-	515
	Accrued investment income	4	-	-	4
	SLV Foundation current account	-	-	-	-
Investments and other financial assets					
	Equities	-	6,570	-	6,570
	Property trust	-	1,245	-	1,245
	Fixed interest securities	-	3,685	-	3,685
	Cash management account	1,425	-	-	1,425
Total contractual financial assets		9,699	11,500	-	21,199
Contractual financial liabilities					
Payables	Supplies and services	-	-	1,297	1,297
	Lease liabilities	-	-	27	27
Total contractual financial liabilities		-	-	1,324	1,324

30 FINANCIAL INSTRUMENTS (CONT'D)

		STATE LIBRARY OF VICTORIA			
2014		Contractual financial assets – loans and receivables	Contractual financial assets available-for-sale	Contractual financial liabilities at amortised cost	Total
		\$'000	\$'000	\$'000	\$'000
Contractual financial assets					
Cash and deposits		2,659	-	-	2,659
Receivables	Franking credits	-	-	-	-
	Debtors	579	-	-	579
	Accrued investment income	8	-	-	8
	SLV Foundation current account	4	-	-	4
Investments and other financial assets					
	Equities	-	-	-	-
	Property trust	-	-	-	-
	Fixed interest securities	-	-	-	-
	Cash management account	-	-	-	-
Total contractual financial assets		3,250	-	-	3,250
Contractual financial liabilities					
Payables	Supplies and services	-	-	1,134	1,134
	Lease liabilities	-	-	51	51
Total contractual financial liabilities		-	-	1,185	1,185
2013					
Contractual financial assets					
Cash and deposits		5,301	-	-	5,301
Receivables	Franking credits	-	-	-	-
	Debtors	504	-	-	504
	Accrued investment income	4	-	-	4
	SLV Foundation current account	98	-	-	98
Investments and other financial assets					
	Equities	-	-	-	-
	Property trust	-	-	-	-
	Fixed interest securities	-	-	-	-
	Cash management account	-	-	-	-
Total contractual financial assets		5,907	-	-	5,907
Contractual financial liabilities					
Payables	Supplies and services	-	-	1,297	1,297
	Lease liabilities	-	-	27	27
Total contractual financial liabilities		-	-	1,324	1,324

30 FINANCIAL INSTRUMENTS (CONT'D)**c) Net holding gain/(loss) on financial instruments by category**

2014	CONSOLIDATED				
	Net holding gain	Total interest income/ (expense)	Fee income/ (expense)	Impairment loss	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Contractual financial assets					
Contractual financial assets – loans and receivables	-	339	-	-	339
Contractual financial assets available-for-sale recognised in net result	505	893	(86)	-	1,312
Contractual financial assets available-for-sale recognised in other comprehensive result	353	-	-	-	353
Total contractual financial assets	858	1,232	(86)	-	2,004
Contractual financial liabilities					
Contractual financial liabilities at amortised cost	-	(2)	-	-	(2)
Total contractual financial liabilities	-	(2)	-	-	(2)

2013

Contractual financial assets					
Contractual financial assets – loans and receivables	-	305	-	-	305
Contractual financial assets available-for-sale recognised in net result	911	849	(63)	-	1,697
Contractual financial assets available-for-sale recognised in other comprehensive result	257	-	-	-	257
Total contractual financial assets	1,168	1,154	(63)	-	2,259
Contractual financial liabilities					
Contractual financial liabilities at amortised cost	-	(2)	-	-	(2)
Total contractual financial liabilities	-	(2)	-	-	(2)

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 by taking the movement in the fair value of the asset, the interest and dividend revenue and 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)

2014	STATE LIBRARY OF VICTORIA				
	Net holding gain	Total interest income/ (expense)	Fee income/ (expense)	Impairment loss	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Contractual financial assets					
Contractual financial assets – loans and receivables	-	251	-	-	251
Contractual financial assets available-for-sale recognised in net result	-	-	-	-	-
Contractual financial assets available-for-sale recognised in other comprehensive result	-	-	-	-	-
Total contractual financial assets	-	251	-	-	251
Contractual financial liabilities					
Contractual financial liabilities at amortised cost	-	(2)	-	-	(2)
Total contractual financial liabilities	-	(2)	-	-	(2)
2013					
Contractual financial assets					
Contractual financial assets – loans and receivables	-	207	-	-	207
Contractual financial assets available-for-sale recognised in net result	-	-	-	-	-
Contractual financial assets available-for-sale recognised in other comprehensive result	-	-	-	-	-
Total contractual financial assets	-	207	-	-	207
Contractual financial liabilities					
Contractual financial liabilities at amortised cost	-	(2)	-	-	(2)
Total contractual financial liabilities	-	(2)	-	-	(2)

30 FINANCIAL INSTRUMENTS (CONT'D)**d) Credit risk**

Credit risk arises from the contractual financial assets of the Board, which comprise cash and cash equivalents, term deposits, non-statutory receivables and available-for-sale contractual financial assets. 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 contractual financial assets is minimal because the main debtors are Victorian Government Departments, ANZ Banking Group Limited, National Australia Bank Limited, Suncorp-Metway Limited, Evans & Partners and Perpetual Trustee Company Ltd.

The Board does not engage in hedging for its contractual 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 contractual financial assets recorded in the financial statements represents the Board's maximum exposure to credit risk:

2014	CONSOLIDATED				
	Financial institutions Double-A credit rating	Government agencies Triple-A credit rating	Other min. Triple-B credit rating	Other	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Contractual financial assets					
Cash and deposits	3,918	-	-	-	3,918
Receivables	-	171	-	598	769
Investments and other financial assets	-	-	13,650	-	13,650
Total contractual financial assets	3,918	171	13,650	598	18,337
2013					
Contractual financial assets					
Cash and deposits	7,639	-	-	-	7,639
Receivables	-	116	-	519	635
Investments and other financial assets	-	-	12,925	-	12,925
Total contractual financial assets	7,639	116	12,925	519	21,199

30 FINANCIAL INSTRUMENTS (CONT'D)

2014	STATE LIBRARY OF VICTORIA				
	Financial institutions Double-A credit rating	Government agencies Triple-A credit rating	Other min. Triple-B credit rating	Other	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Contractual financial assets					
Cash and deposits	2,659	-	-	-	2,659
Receivables	-	-	-	591	591
Investments and other financial assets	-	-	-	-	-
Total contractual financial assets	2,659	-	-	591	3,250
2013					
Contractual financial assets					
Cash and deposits	5,301	-	-	-	5,301
Receivables	-	-	-	606	606
Investments and other financial assets	-	-	-	-	-
Total contractual financial assets	5,301	-	-	606	5,907

30 FINANCIAL INSTRUMENTS (CONT'D)**e) Ageing analysis of contractual financial assets**

The ageing analysis of contractual financial assets is as follows:

2014	Carrying amount \$'000	Not past due and not impaired \$'000	CONSOLIDATED Past due but not impaired			
			Less than 1 mth \$'000	1-3 mths \$'000	3 mths – 1 yr \$'000	1-5 yrs \$'000
Contractual financial assets						
Receivables						
Debtors	590	474	115	1	-	-
Accrued investment income	8	8	-	-	-	-
Franking credits	171	171	-	-	-	-
SLVF current account	-	-	-	-	-	-
Total contractual financial assets	769	653	115	1	-	-
2013						
Contractual financial assets						
Receivables						
Debtors	515	476	36	3	-	-
Accrued investment income	4	4	-	-	-	-
Franking credits	116	116	-	-	-	-
SLVF current account	-	-	-	-	-	-
Total contractual financial assets	635	596	36	3	-	-

There are no material financial assets that are individually determined to be impaired. The Board does not hold any collateral as security nor credit enhancements relating to any of its financial assets.

There are no financial assets that have had their terms renegotiated so as to prevent them from being past due or impaired, and they are stated at the carrying amounts as indicated. The ageing analysis table above discloses the ageing only of contractual financial assets that are past due but not impaired.

30 FINANCIAL INSTRUMENTS (CONT'D)

STATE LIBRARY OF VICTORIA						
2014	Carrying amount	Not past due and not impaired	Past due but not impaired			
			Less than 1 mth	1–3 mths	3 mths – 1 yr	1–5 yrs
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Contractual financial assets						
Receivables						
Debtors	579	463	115	1	-	-
Accrued investment income	8	8	-	-	-	-
Franking credits	-	-	-	-	-	-
SLVF current account	4	4	-	-	-	-
Total contractual financial assets	591	475	115	1	-	-

2013

Contractual financial assets						
Receivables						
Debtors	504	465	36	3	-	-
Accrued investment income	4	4	-	-	-	-
Franking credits	-	-	-	-	-	-
SLVF current account	98	98	-	-	-	-
Total contractual financial assets	606	567	36	3	-	-

30 FINANCIAL INSTRUMENTS (CONT'D)**f) Liquidity risk**

Liquidity risk is the risk that the Board would be unable to meet its financial obligations as and when 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 maximum exposure to liquidity risk is the carrying amount of financial liabilities as disclosed in the balance sheet.

The Board manages its liquidity risk by:

- monitoring future cash flows
- careful maturity planning to ensure adequate holding of high-quality liquid assets
- a high credit rating for the State of Victoria (Moody's Investor Services and Standard & Poor's triple-A)

The Board's exposure to liquidity risk is deemed insignificant based on data from prior periods and current assessment of risk.

The carrying amount detailed in the following table of contractual financial liabilities recorded in the financial statements represents the Board's maximum exposure to liquidity risk.

The following table discloses the contractual maturity analysis for the Board's contractual financial liabilities.

		CONSOLIDATED					
2014	Carrying amount	Nominal amount	Maturity dates				
			Less than 1 mth	1-3 mths	3 mths – 1 yr	1 – 5 yrs	5+ yrs
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Contractual financial liabilities							
Payables							
Supplies and services	1,134	1,134	1,103	19	10	2	-
Lease liabilities	51	51	2	5	21	23	-
Total contractual financial liabilities	1,185	1,185	1,105	24	31	25	-
2013							
Contractual financial liabilities							
Payables							
Supplies and services	1,297	1,297	1,263	19	15	-	-
Lease liabilities	27	27	1	2	6	18	-
Total contractual financial liabilities	1,324	1,324	1,264	21	21	18	-

30 FINANCIAL INSTRUMENTS (CONT'D)

		STATE LIBRARY OF VICTORIA					
2014	Carrying amount	Nominal amount	Maturity dates				
			Less than 1 mth	1–3 mths	3 mths – 1 yr	1 yr – 5 yrs	5+ yrs
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Contractual financial liabilities							
Payables							
Supplies and services	1,134	1,134	1,103	19	10	2	-
Lease liabilities	51	51	2	5	21	23	-
Total contractual financial liabilities	1,185	1,185	1,105	24	31	25	-
2013							
Contractual financial liabilities							
Payables							
Supplies and services	1,297	1,297	1,263	19	15	-	-
Lease liabilities	27	27	1	2	6	18	-
Total contractual financial liabilities	1,324	1,324	1,264	21	21	18	-

30 FINANCIAL INSTRUMENTS (CONT'D)**g) Market risk**

The Board is exposed to market risk primarily through interest-rate risk and equity-price risk, 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 expenditure on acquisitions. Consequently there is no foreign-currency risk related to adverse movements in exchange rates.

Interest-rate risk

Fair value interest-rate risk is the risk that the fair value of a financial instrument will fluctuate because of changes in market interest rates.

Cash flow interest-rate risk is the risk that the future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Board has minimal exposure to cash flow interest-rate risks through its cash and deposits, term deposits that are at fixed interest rates. Exposure to cash flow 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 manages this risk by mainly undertaking fixed-rate or non-interest-bearing financial instruments with relatively even maturity profiles, with only insignificant amounts of financial instruments at floating rate. Management has concluded that cash at bank can be left at floating rate without necessarily exposing the Board to significant risk, management monitors movement in interest rates on a daily basis.

The carrying amounts of financial assets and financial liabilities that are exposed to interest rates are set out in the following table. In addition, the Board's sensitivity to interest-rate risk is set out below.

2014						CONSOLIDATED		
		Weighted average interest rate	Carrying amount	Interest rate exposure				
		%	\$'000	Fixed interest rate \$'000	Variable interest rate \$'000	Non-interest bearing \$'000		
Contractual financial assets								
Cash and deposits		3.9%	3,918	1,220	39	2,659		
Receivables	Franking credits	-	171	-	-	171		
	Debtors	-	590	-	-	590		
	Accrued investment income	-	8	8	-	-		
	SLV Foundation current account	-	-	-	-	-		
Investments and other financial assets								
Equities		-	7,074	-	-	7,074		
Property trust		-	967	-	-	967		
Fixed interest securities		4.4%	3,922	3,922	-	-		
Cash management account		4.4%	1,687	-	1,687	-		
Total contractual financial assets			18,337	5,150	1,726	11,461		
Contractual financial liabilities								
Payables	Supplies and services	-	1,134	-	-	1,134		
	Lease liabilities	6.6%	51	51	-	-		
Total contractual financial liabilities			1,185	51	-	1,134		

30 FINANCIAL INSTRUMENTS (CONT'D)

		STATE LIBRARY OF VICTORIA				
2014		Weighted average interest rate	Carrying amount	Interest rate exposure		
				Fixed interest rate	Variable interest rate	Non-interest bearing
	%			\$'000	\$'000	\$'000
Contractual financial assets						
Cash and deposits		3.9%	2,659	-	-	2,659
Receivables	Franking credits	-	-	-	-	-
	Debtors	-	579	-	-	579
	Accrued investment income	-	8	8	-	-
	SLV Foundation current account	-	4	-	-	4
Investments and other financial assets						
	Equities	-	-	-	-	-
	Property trust	-	-	-	-	-
	Fixed interest securities	-	-	-	-	-
	Cash management account	-	-	-	-	-
Total contractual financial assets			3,250	8	-	3,242
Contractual financial liabilities						
Payables	Supplies and services	-	1,134	-	-	1,134
	Lease liabilities	6.6%	51	51	-	-
Total contractual financial liabilities			1,185	51	-	1,134

30 FINANCIAL INSTRUMENTS (CONT'D)

			CONSOLIDATED				
2013			Weighted average interest rate	Carrying amount	Interest rate exposure		
					Fixed interest rate	Variable interest rate	Non-interest bearing
			%	\$'000	\$'000	\$'000	\$'000
Contractual financial assets							
Cash and deposits		5.1%	7,639	2,314	24	5,301	
Receivables	Franking credits	-	116	-	-	116	
	Debtors	-	515	-	-	515	
Accrued investment income		-	4	4	-	-	
SLV Foundation current account		-	-	-	-	-	
Investments and other financial assets							
Equities		-	6,570	-	-	6,570	
Property trust		-	1,245	-	-	1,245	
Fixed interest securities		4.9%	3,685	3,685	-	-	
Cash management account		4.9%	1,425	-	1,425	-	
Total contractual financial assets			21,199	6,003	1,449	13,747	
Contractual financial liabilities							
Payables	Supplies and services	-	1,297	-	-	1,297	
	Lease liabilities	6.6%	27	27	-	-	
Total contractual financial liabilities			1,324	27	-	1,297	

Equity-price risk

Exposure to equity-market risk arises from the Board's direct investments in equities quoted on the Australian Stock Exchange. The Board has appointed a fund manager to manage its investment portfolio. The fund manager on behalf of the Board closely monitors performance and manages the equity-price risk through diversification of its investment portfolio. 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 and assumptions

The Board's fund manager cannot be expected to predict movements in market rates and prices. Taking into account past performance, future expectations, economic forecasts and fund manager's 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 2.5%, (2013: 2.75%)
- a proportional equity price movement of +5 per cent (+270 points) and -5 per cent (-270 points) from the year end S&P/ASX200 benchmark index of 5395.7 (2013: 4802.6).

The following tables disclose the impact on net operating result and equity for each category of financial instrument held by the Board at year end if the above movements were to occur. Sensitivity analyses shown are for illustrative purposes only.

30 FINANCIAL INSTRUMENTS (CONT'D)

			STATE LIBRARY OF VICTORIA				
2013			Weighted average interest rate	Carrying amount	Interest rate exposure		
					Fixed interest rate	Variable interest rate	Non-interest bearing
			%	\$'000			
Contractual financial assets							
Cash and deposits			4.5%	5,301	-	-	5,301
Receivables	Franking credits		-	-	-	-	-
	Debtors		-	504	-	-	504
Accrued investment income			-	4	4	-	-
SLV Foundation current account			-	98	-	-	98
Investments and other financial assets							
Equities			-	-	-	-	-
Property trust			-	-	-	-	-
Fixed interest securities			-	-	-	-	-
Cash management account			-	-	-	-	-
Total contractual financial assets				5,907	4	-	5,903
Contractual financial liabilities							
Payables	Supplies and services		-	1,297	-	-	1,297
	Lease liabilities		6.6%	27	27	-	-
Total contractual financial liabilities				1,324	27	-	1,297

30 FINANCIAL INSTRUMENTS (CONT'D)*l) Interest rate risk sensitivity*

2014	Carrying amount	CONSOLIDATED			
		Interest rate			
		-2%	-2%	+2%	+2%
		Net result	Available- for-sale revaluation surplus	Net result	Available- for-sale revaluation surplus
	\$'000	\$'000	\$'000	\$'000	\$'000
Contractual financial assets					
Cash and deposits	3,918	(78)	-	78	-
Receivables					
Franking credits	171	-	-	-	-
Debtors	590	-	-	-	-
Accrued investment income	8	-	-	-	-
SLV Foundation current account	-	-	-	-	-
Investments and other financial assets					
Equities	7,074	-	-	-	-
Property trust	967	-	-	-	-
Fixed interest securities	3,922	(78)	-	78	-
Cash management account	1,687	(34)	-	34	-
Total contractual financial assets	18,337	(190)	-	190	-
Contractual financial liabilities					
Payables					
Supplies and services	1,134	-	-	-	-
Lease liabilities	51	-	-	-	-
Total contractual financial liabilities	1,185	-	-	-	-

30 FINANCIAL INSTRUMENTS (CONT'D)

2014	Carrying amount	STATE LIBRARY OF VICTORIA			
		Interest rate			
		-2%	-2%	+2%	+2%
		Net result	Available- for-sale revaluation surplus	Net result	Available- for-sale revaluation surplus
	\$'000	\$'000	\$'000	\$'000	\$'000
Contractual financial assets					
Cash and deposits	2,659	(53)	-	53	-
Receivables Franking credits	-	-	-	-	-
Debtors	579	-	-	-	-
Accrued investment income	8	-	-	-	-
SLV Foundation current account	4	-	-	-	-
Investments and other financial assets					
Equities	-	-	-	-	-
Property trust	-	-	-	-	-
Fixed interest securities	-	-	-	-	-
Cash management account	-	-	-	-	-
Total contractual financial assets	3,250	(53)	-	53	-
Contractual financial liabilities					
Payables Supplies and services	1,134	-	-	-	-
Lease liabilities	51	-	-	-	-
Total contractual financial liabilities	1,185	-	-	-	-

30 FINANCIAL INSTRUMENTS (CONT'D)*l) Interest rate risk sensitivity (cont'd)*

2013	Carrying amount	CONSOLIDATED			
		Interest rate			
		-2%	-2%	+2%	+2%
		Net result	Available- for-sale revaluation surplus	Net result	Available- for-sale revaluation surplus
	\$'000	\$'000	\$'000	\$'000	\$'000
Contractual financial assets					
Cash and deposits	7,639	(153)	-	153	-
Receivables					
Franking credits	116	-	-	-	-
Debtors	515	-	-	-	-
Accrued investment income	4	-	-	-	-
SLV Foundation current account	-	-	-	-	-
Investments and other financial assets					
Equities	6,570	-	-	-	-
Property trust	1,245	-	-	-	-
Fixed interest securities	3,685	(74)	-	74	-
Cash management account	1,425	(28)	-	28	-
Total contractual financial assets	21,199	(255)	-	255	-
Contractual financial liabilities					
Payables					
Supplies and services	1,297	-	-	-	-
Lease liabilities	27	-	-	-	-
Total contractual financial liabilities	1,324	-	-	-	-

30 FINANCIAL INSTRUMENTS (CONT'D)

2013	Carrying amount	STATE LIBRARY OF VICTORIA			
		Interest rate			
		-2%	-2%	+2%	+2%
		Net result	Available- for-sale revaluation surplus	Net result	Available- for-sale revaluation surplus
	\$'000	\$'000	\$'000	\$'000	\$'000
Contractual financial assets					
Cash and deposits	5,301	(106)	-	106	-
Receivables Franking credits	-	-	-	-	-
Debtors	504	-	-	-	-
Accrued investment income	4	-	-	-	-
SLV Foundation current account	98	-	-	-	-
Investments and other financial assets					
Equities	-	-	-	-	-
Property trust	-	-	-	-	-
Fixed interest securities	-	-	-	-	-
Cash management account	-	-	-	-	-
Total contractual financial assets	5,907	(106)	-	106	-
Contractual financial liabilities					
Payables Supplies and services	813	-	-	-	-
Lease liabilities	69	-	-	-	-
Total contractual financial liabilities	882	-	-	-	-

30 FINANCIAL INSTRUMENTS (CONT'D)*II) Equity price risk sensitivity*

		CONSOLIDATED		
2014		Carrying amount	Equity price	
			-5%	+5%
			Available-for-sale revaluation surplus	Available-for-sale revaluation surplus
		\$'000	\$'000	\$'000
Contractual financial assets				
Investments and other financial assets	Equities	7,074	(354)	354
	Property trust	967	(48)	48
Total contractual financial assets		8,041	(402)	402

		CONSOLIDATED		
2013		Carrying amount	Equity price	
			-5%	+5%
			Available-for-sale revaluation surplus	Available-for-sale revaluation surplus
		\$'000	\$'000	\$'000
Contractual financial assets				
Investments and other financial assets	Equities	6,570	(328)	328
	Property trust	1,245	(62)	62
Total contractual financial assets		7,815	(390)	390

30 FINANCIAL INSTRUMENTS (CONT'D)**h) 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, because of the short-term nature of the financial instruments and the expectation that they will be paid in full.

The fair values and net fair values of financial instrument assets and liabilities are determined as follows:

- Level 1 – the fair value of financial instruments with standard terms and conditions, traded in active liquid markets are determined with reference to quoted market prices
- Level 2 – the fair value is determined using inputs other than quoted prices that are observable for the financial asset or liability, either directly or indirectly, and
- Level 3 – the fair value is determined in accordance with generally accepted pricing models based on discounted cashflow analysis using unobservable market inputs.

The following table shows that the fair values of most of the contractual financial assets and liabilities are the same as the carrying amounts.

Fair value measurement at 30 June using:		CONSOLIDATED				STATE LIBRARY OF VICTORIA			
		Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value	Carrying amount	Fair value
Level		2014 \$'000	2014 \$'000	2013 \$'000	2013 \$'000	2014 \$'000	2014 \$'000	2013 \$'000	2013 \$'000
Contractual financial assets									
Cash and deposits		3,918	3,918	7,639	7,639	2,659	2,659	5,301	5,301
Receivables	Franking credits	2	171	171	116	-	-	-	-
	Debtors	2	590	590	515	579	579	504	504
	Accrued investment income	2	8	8	4	8	8	4	4
	SLV Foundation current account	2	-	-	-	4	4	98	98
Investments and other financial assets									
	Equities	1	7,074	7,074	6,570	-	-	-	-
	Property trust	1	967	967	1,245	-	-	-	-
	Fixed interest securities	1	3,922	3,922	3,685	-	-	-	-
	Cash management account	2	1,687	1,687	1,425	-	-	-	-
Total contractual financial assets		18,337	18,337	21,199	21,199	3,250	3,250	5,907	5,907
Contractual financial liabilities									
Payables	Supplies and services	2	1,134	1,134	1,297	1,134	1,134	1,297	1,297
	Lease liabilities	2	51	51	27	51	51	27	27
Total contractual financial liabilities		1,185	1,185	1,324	1,324	1,185	1,185	1,324	1,324

There have been no transfers between levels during the period.

The fair value of the financial assets and liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale. The following methods and assumptions were used to estimate fair value:

The listed securities are valued at fair value with reference to a quoted (unadjusted) market price from an active market. The Board categorises these instruments as level 1. All other financial assets and liabilities are valued at fair value with reference to invoices or other third party documentation. The Board categorises these instruments as level 2.

31 SUPERANNUATION

The Board made superannuation contributions for employees as follows:

	CONSOLIDATED		STATE LIBRARY OF VICTORIA	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Defined benefit plan				
State Superannuation Fund	523	538	523	538
Defined contribution plans				
VicSuper	1,400	1,360	1,390	1,348
Private superannuation funds	333	266	311	266
	2,256	2,164	2,224	2,152

There are no superannuation contributions outstanding as at 30 June 2014. 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**(a) Net gain on financial instruments**

Gain/(loss) on sale of available-for-sale financial assets	505	911	-	-
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(b) Net gain/(loss) on non-financial assets

Net gain/(loss) in disposal of non-financial assets	2	6	2	6
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(c) Other losses from other economic flows

Revaluation of long-service leave liability due to changes in bond rates	(47)	156	(47)	156
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	460	1,073	(45)	162
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33 RESPONSIBLE PERSONS

In accordance with the Ministerial Directions issued by the Minister for Finance under the FMA, the following disclosures are made regarding responsible persons for the reporting period.

Names

The Accountable Officer of the Library is the Chief Executive Officer. The persons who held the positions of Minister and Accountable Officer of the Library are as follows:

Minister for the Arts	The Hon. Heidi Victoria MP	1 July 2013 to 30 June 2014
Chief Executive Officer	Sue Roberts	1 July 2013 to 30 June 2014

The Hon. Jeanette Powell and the Hon. Ryan Smith acted in the office of the Minister of the Arts in the absences of the Hon. Heidi Victoria.

Remuneration

Amounts relating to remuneration for the Minister for the Arts are disclosed in the financial statements for the Department of Premier and Cabinet. Remuneration received or receivable by the Accountable Officer in connection with the management of the Library during the reporting period was in the range \$300,000–309,999 (\$280,000–289,999 in 2013).

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

Mr John Wylie AM (President)	Mr Dennis Goldner
Mr Stephen Kerr (Deputy President)	Mr Eddie McGuire AM
Professor Merran Evans	Ms Christine Christian (from 16 August 2013)
Mr Petro Georgiou AO	Ms Karen Quinlan (from 16 August 2013)
Mr Bruce Akhurst	Mr David Evans (from 2 September 2013)

No member of the Board has received remuneration or retirement benefits during 2013–14.

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	
	2014 No.	2013 No.	2014 No.	2013 No.
\$20,000–29,999	-	1	-	1
\$30,000–39,999	-	1	-	1
\$80,000–89,999	-	-	-	1
\$140,000–149,999	1	1	1	2
\$150,000–159,999	1	-	2	1
\$160,000–169,999	1	2	-	1
\$170,000–179,999	1	2	1	1
\$180,000–189,999	-	1	-	-
\$190,000–199,999	1	-	1	-
\$200,000–209,999	1	-	1	-
Total number of executives	6	8	6	8
Total annualised employee equivalent (AEE)	6	5	6	5
Total amount (\$'000)	1,038	1,058	1,027	918

There were no related party transactions during the year ended 30 June 2014.

34 CONTINGENT ASSETS AND CONTINGENT LIABILITIES

The Library Board of Victoria is not aware of any contingent asset or contingent liability as at 30 June 2014 (2013:nil).

35 COMMITMENTS FOR EXPENDITURE

The following commitments have not been recognised as liabilities in the financial statements:

	CONSOLIDATED		STATE LIBRARY OF VICTORIA	
	2014	2013	2014	2013
	\$'000	\$'000	\$'000	\$'000
Capital expenditure commitments				
Capital expenditure includes collection expenditure payable as follows:				
Not later than one year	6,077	98	6,077	98
Later than one year, not later than five years	916	314	916	314
Later than five years	-	-	-	-
	6,993	412	6,993	412
Other expenditure commitments				
Other expenditure includes mechanical and lift maintenance, security, cleaning and rental of Ballarat offsite storage site, payable as follows:				
Not later than one year	2,915	3,386	2,915	3,386
Later than one year, not later than five years	1,840	4,079	1,840	4,079
Later than five years	747	818	747	818
	5,502	8,283	5,502	8,283
Operating leases				
Commitments for minimum-lease payments in relation to non-cancellable operating leases are payable as follows:				
Not later than one year	825	835	825	835
Later than one year, not later than five years	949	1,166	949	1,166
	1,774	2,001	1,774	2,001
Total commitments for expenditure (GST inclusive)	14,269	10,696	14,269	10,696
Less GST recoverable from the ATO	(1,297)	(972)	(1,297)	(972)
Total commitments for expenditure (GST exclusive)	12,972	9,724	12,972	9,724

36 SUBSEQUENT EVENTS

The Library Board of Victoria is not aware of any events occurring subsequent to 30 June 2014 that may have a material effect on the financial statements. (2013:nil).

37 GLOSSARY OF TERMS

AAS

Australian Accounting Standards

AASB

Australian Accounting Standards Board

ABS

Australian Bureau of Statistics

ATO

Australian Taxation Office

Amortisation

Amortisation is the expense which results from the consumption, extraction or use over time of a non-produced physical or intangible asset. This expense is classified as an other economic flow.

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.

Comprehensive result

The net result of all items of income and expense recognised for the period. It is the aggregate of operating result and other comprehensive income.

CSO

Community Service Obligation

DTF

Department of Treasury and Finance

Depreciation

Depreciation is an expense that arises from the consumption through wear or time of a produced physical or intangible asset. This expense is classified as a 'transaction' and so reduces the 'net result from transaction'.

Effective interest method

The effective interest method is used to calculate the amortised cost of a financial asset or liability and of allocating interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument, or, where appropriate, a shorter period.

Employee benefits expenses

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

Ex-gratia expenses

Ex-gratia expenses mean the voluntary payment of money or other non-monetary benefit (e.g. a write off) that is not made either to acquire goods, services or other benefits for the entity or to meet a legal liability, or to settle or resolve a possible legal liability or claim against the entity.

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.

Financial instrument

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets or liabilities that are not contractual (such as statutory receivables or payables that arise as a result of statutory requirements imposed by governments) are not financial instruments.

Financial liability

A financial liability is any liability that is:

- (a) A contractual obligation:
 - (i) to deliver cash or another financial asset to another entity; or
 - (ii) to exchange financial assets or financial liabilities with another entity under conditions that are potentially unfavourable to the entity; or
- (b) A contract that will or may be settled in the entity's own equity instruments and is:
 - (i) a non-derivative for which the entity is or may be obliged to deliver a variable number of the entity's own equity instruments; or
 - (ii) a derivative that will or may be settled other than by the exchange of a fixed amount of cash or another financial asset for a fixed number of the entity's own equity instruments. For this purpose, the entity's own equity instruments do not include instruments that are themselves contracts for the future receipt or delivery of the entity's own equity instruments.

Financial statements

A complete set of financial statements comprises:

- (a) a statement of financial position as at the end of the period;
- (b) a statement of profit or loss and other comprehensive income for the period;
- (c) a statement of changes in equity for the period;
- (d) a statement of cash flows for the period;
- (e) notes, comprising a summary of significant accounting policies and other explanatory information;
- (f) comparative information in respect of the preceding period as specified in paragraphs 38 of AASB 101 *Presentation of Financial Statements*; and
- (g) a statement of financial position as at the beginning of the preceding period when an entity applies an accounting

37 GLOSSARY OF TERMS (CONT'D)

policy retrospectively or makes a retrospective restatement of items in its financial statements, or when it reclassifies items in its financial statements in accordance with paragraphs 41 of AASB 101.

General government sector

The general government sector comprises all government departments, offices and other bodies engaged in providing services free of charge or at prices significantly below their cost of production. General government services include those which are mainly non-market in nature, those which are largely for collective consumption by the community and those which involve the transfer or redistribution of income. These services are financed mainly through taxes, or other compulsory levies and user charges.

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 that 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.

GST

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

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 income, gains and expenses (including losses) recognised for the period, excluding those that are classified as 'other economic flows – other comprehensive income'.

Net result from transactions / net operating balance

Net result from transactions or net operating balance is a key fiscal aggregate and is income 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'. It includes inventories, land, buildings, plant and equipment, cultural and heritage assets and intangible assets.

Other economic flows included in net result

Other economic flows included in net result 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-financial physical and intangible assets fair value changes of financial instruments.

Other economic flows - other comprehensive income

Other economic flows - other comprehensive income comprises items (including reclassification adjustments) that are not recognised in net result as required or permitted by other Australian Accounting Standards.

The components of other economic flows -other comprehensive income include:

- (a) changes in physical asset revaluation surplus;
- (b) share of net movement in revaluation surplus of associates and joint ventures; and
- (c) gains and losses on remeasuring available-for-sale financial assets;

Payables

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

Receivables

Includes short-term 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. Includes fees and charges for services rendered, and sales of goods and services.

37 GLOSSARY OF TERMS (CONT'D)

SLV

State Library of Victoria

SLVF

State Library of Victoria Foundation

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 Library.

Transactions

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.

VGv

Valuer-General Victoria

VAGO

Victorian Auditor-General's Office

