



STATE LIBRARY
VICTORIA

Library Board of Victoria Annual Report 2020-21



Library Board of Victoria Annual Report 2020-21

Published by State Library Victoria
328 Swanston Street
Melbourne VIC 3000
Australia

Also published on slv.vic.gov.au

© State Library Victoria 2021



This publication is licensed under a Creative Commons Attribution 4.0 international licence. You are free to re-use the work under that licence on the condition that you credit State Library Victoria as the author. The licence does not apply to any images, photographs or branding, including the State Library Victoria logo and Creative Victoria logo.

Copyright queries may be directed to:
Communications Manager
State Library Victoria
328 Swanston Street
Melbourne VIC 3000
Australia

Authorised by the Victorian Government

Typeset by Cannon Typesetting

Cover photography by Carmen Zammit, Library on the Lawn 2021.
Photograph page 4 by Jarrod Barnes Photography
Photograph page 6 by Abigail Varney

Contents

3	Responsible body's declaration
4	President's report
6	Chief Executive Officer's year in review
8	2020–21 highlights
10	Vision and values
11	Report of operations
30	Financial summary
32	2020–21 Key performance indicators
33	Creative Industries portfolio service agreement
35	Acquisitions statistics
38	Library Board and governance
42	Library Executive
43	Organisational structure
44	Health, safety and wellbeing performance measures
46	Public sector values and employment principles
47	Statement of workforce data and merit and equity
49	Asset Management Accountability Framework maturity assessment
50	Environmental performance
52	Freedom of information
54	<i>Public Interest Disclosures Act 2012</i>
54	Compliance with the <i>Building Act 1993</i>
55	Local Jobs First
55	Competitive Neutrality Policy
56	Government advertising expenditure
56	Major contracts
57	Consultancies
58	Financial information
	Financial statements
59	Financial report for year ended 30 June 2021
60	Financial management attestation
61	Library Board of Victoria letter
62	Auditor-General's report
64	Notes to the financial statements
117	Disclosure index

Responsible body's declaration

In accordance with the *Financial Management Act 1994*, I present the Library Board of Victoria's annual report for the year ending 30 June 2021.

A handwritten signature in black ink, appearing to read 'C. Christian', with a long horizontal flourish extending to the right.

Christine Christian AO
President, Library Board of Victoria
September 2021

President's report



I am pleased to present the 2020-21 Annual Report on behalf of the Library Board of Victoria.

This is my first report as the incoming Board President. I am honoured to take up the position from John Wylie AM whose leadership over the past nine years has transformed the Library and laid the groundwork for its future success. On behalf of the Board I express our deep gratitude for his service, vision and generosity.

A year ago, this report noted the profound impact of the COVID-19 pandemic on the lives of Victorians. As I write this Victoria is experiencing another COVID-19 outbreak and the uncertainty of the past year is drawn into consciousness again.

State Library Victoria has continued to play a vital role in supporting the community during the pandemic, providing trustworthy information and remote learning and research resources, creating opportunities for new employment, and as a place of social connection, even when our doors have been closed.

The Library's online programming was expanded throughout the year, introducing a number of new series which informed, entertained and connected our communities.

We continued to deliver our online programs for families and young children, as well as education programs for secondary students to support them during long periods of remote learning. I thank John Gandel AC and Pauline Gandel AC along with the Trustees of Gandel Philanthropy and Vedran Drakulic OAM, CEO of Gandel Philanthropy for their ongoing support for our children's programs.

Through our StartSpace initiative and in partnership with Study Melbourne we delivered Australia's first

digital startup festival for international students, innovators and founders. Our unique offering for early stage entrepreneurs is a significant support for the COVID-19 recovery as people look for new opportunities and new ways to work.

We aided Victoria's extensive public library network to create COVID-19 recovery projects focused on physical health, mental wellbeing and social connection in their local communities.

As an institution of memory, we continued to add the lived experiences of Victorians to our collection during this historic period. Commissioned photographic documentary projects in regional Victoria and online initiatives to gather stories and content from the community will be valuable historical records of this extraordinary time.

During the pandemic we greatly expanded our online collections making the Library ever more accessible from anywhere at any time.

I express our gratitude to the generous donors and supporters who have enabled the acquisition of new collection items, funded much need conservation work and allowed the expansion of our regional Victorian photographic and oral history collection commissions.

The events of the past year have proven the value of the Library's hybrid model of both online and onsite services and programs – not only to keep our community safe but also to expand the reach and utility of our services and collections across Victoria.

When the Library building staged its reopening in November, in line with COVIDSafe requirements, the response demonstrated a great hunger for people to return to the Library building and the broad array of onsite offerings. We are grateful to Creative Victoria for their support in activating the

Library forecourt as a safe place for communal gatherings and outdoor programming.

A practical outcome of the Library's recent Vision 2020 redevelopment project was a 40% expansion in public space which, this year, meant that many more people were able to use the building in a COVIDSafe way than would otherwise have been possible. The redevelopment project continued to receive accolades for its design and execution. We were especially pleased to see it win the 2020 Victorian Premier's Design Award for Architectural Design, and National Exemplar in the ALIA Australian Library Design Awards, the first time the category has been awarded. The investment made in this project by the Victorian Government, philanthropic partners and the Victorian community will continue to pay dividends in the years ahead.

The long months of closure between July and November and the uncertainty created by both the February and May circuit breaker actions inevitably had a significant impact on the Library's onsite visitation this year. These building closures also dramatically affected our ability to generate much needed revenue, and the Library's finances remain under significant pressure. We continue to work with the Victorian Government to ensure the Library can fulfil its role for the Victorian community and we appreciate their support in difficult times.

I am deeply grateful to all the Library's partners, supporters, donors and members who, despite the challenges of the past year, have continued to support our work.

My great thanks to my fellow Board and committee members who donate so much of their time and expertise to guide the Library's success. We were pleased to welcome Alex Cartel and Helen Imber to the Foundation Council this

year. Alex takes over from Maria Myers AC as the Council Chair. We are grateful to Maria for her years of outstanding leadership in the role and acknowledge the great contribution she continues to make on the Library Board and as a member of the Foundation Council.

I thank all the Library staff for their tireless work during another very challenging year. I especially thank the many volunteers who give their time freely to support the Library and the community it serves.

Subsequent to the end of the reporting period, Chief Executive Officer Kate Torney advised she would leave the Library to take up a new opportunity. Her last working day was in September 2021. I thank Kate for her outstanding leadership and commitment over the past six years which has confirmed State Library Victoria as one of the world's great libraries.

The pandemic has highlighted the importance of supporting the community to adapt to radically different work and life circumstances. The Library, perhaps more than any other state cultural institution, represents the opportunity to learn and grow, to build new skills and new find direction. Life-long, self-directed and free learning and development opportunities are critical at this moment and to the knowledge economy of the future. In this way State Library Victoria will be a partner in Victoria's future success as it has been over the past 165 years.



Christine Christian AO
President, Library Board of Victoria

Chief Executive Officer's year in review



I am pleased to present my sixth report as Chief Executive Officer of State Library Victoria and to reflect on the way in which the Library has been able to support the community during the global pandemic.

COVIDSafe requirements meant the Library building was closed for much of the year, before a staged reopening to ensure the safety of the community and staff. During these periods the Library expanded its digital services across collections and programs, bringing the best of the Library to homes around Victoria and around the world.

The impact of the pandemic has been felt broadly. Where we saw opportunities to respond to the emotional and economic impacts of the pandemic, we did. Our broad suite of online programming included our first podcast, Bibliotherapy with State Library Victoria, purposefully created to help bring calm in times of stress and isolation.

In support of creative practitioners who have been disproportionately affected by the loss of audiences, we developed Alchemy, a program which is funding the development of creative ideas to activate the Library building in new and exciting ways.

The Library's StartSpace initiative delivered the inaugural Future Founders Festival online, offering new ideas, learning and networking opportunities for early-stage businesses and international students. The success of the festival led to its expansion into a year-long, state-wide program supported by Study Melbourne.

The Library's ability to adapt and respond to the rapidly changing needs of Victorians is reflected in

the way we engaged with the community during this time. Across the Library during 2020-21, we had:

- 410,259 visits onsite
- 5,296,096 online user sessions
- 6615 reference queries
- 24,800 new Access members registered
- 35,521 physical collection items accessed
- 1,577,777 uses of digitised collection items (excluding items accessed via Trove).

COVIDSafe precautions delayed the public launch of the Library's new Victorian Indigenous Research Centre. The Centre acknowledges the long and rich heritage and culture of First Peoples in Victoria, and we look forward to opening it later in 2021 as a welcoming and safe space for Indigenous communities to access Library services, programs and collections. This is a first for an Australian state library and an important step to using the Library's resources to strengthen cultural and personal connections.

Across Victoria the public library network again distinguished itself as a vital community resource during a crisis. Branches made check-up calls to vulnerable members, distributed book and food parcels and operated COVIDSafe click-and-collect services throughout the state. We were proud to continue our support of the sector this year and value the incredible contribution it makes to the 2 million Victorians who count themselves members of their local libraries.

Despite the long periods of closure, we were able to host a number of COVIDSafe onsite events when our doors reopened. A highlight was the inaugural Kids' Takeover school holiday program, which was a joyful reactivation of the Library site. We also welcomed a capacity audience into our Conversation Quarter, endowed by the Hansen Little Foundation, to

launch *Stan Grant on Thomas Keneally*, the latest book in our Writers on Writers publishing collaboration with the University of Melbourne and Black Inc.

The Library has outlined its priorities for the next three years in our *Strategic Plan 2020-24*. Central to that plan is our vision to be a library for all in a changing world. We will expand community engagement with the Library's resources to navigate this period of great uncertainty, and to inspire new possibilities to learn and explore, feed curiosity, build new skills and create. We will strengthen our engagement with Indigenous communities in Victoria, regional Victorians, and early-stage business founders while ensuring the Library delivers cultural, social and economic benefits to the whole state.

This year the Library welcomed Christine Christian AO as the 24th President of the Library Board of Victoria and the first woman to hold the position in the Library's history. Christine has been a member of the Library Board of Victoria since 2013 and the Library's Deputy President since 2016. She is a passionate advocate for the Library and its long legacy of providing equal opportunities and access for all to lifelong learning, creativity and innovation. We are all looking forward to working with Christine as she guides the Library through its next chapter.

Christine takes up the position from former President John Wylie AM who over the past nine years has brought vision and energy to his leadership of the Library Board. Under John, the Library's annual visitation grew 31% onsite and 68% online, making this much-loved institution one of the busiest public library services in the world. I thank John for his passionate leadership, which has confirmed the Library's place as one of the world's great libraries and a treasure to the people of Victoria.

I express my sincere thanks to all the Board and committee members for their valued guidance and support.

The ongoing impact of the pandemic on the Library's operating budget and on those of our tenant organisations has been substantial. I am grateful to all our partners, collaborators, donors and members who continue to help the Library to serve the community in trying times.

Support from the Victorian Government is always essential and more so at this time. I thank the Minister for Creative Industries, The Hon. Danny Pearson MP; Secretary, Department of Jobs, Precincts and Regions, Simon Phemister; and Deputy Secretary, Creative, Sport and Visitor Economy and Chief Executive, Creative Victoria, Andrew Abbott for helping the Library to provide a world leading service for Victoria.

Finally, to the extraordinary library staff and volunteers who have delivered so much for so many during a very difficult time, my sincere gratitude.

This is my final report as Chief Executive Officer. I am grateful for my time at this great institution and so proud of everyone in the Library team. Whatever the next year brings, they are ready and able to continue to fulfill our vision of being a library for all in a changing world – a world class library working for the success of every Victorian, now and into the future.



Kate Torney OAM
Chief Executive Officer

2020–21 highlights

Key initiatives



Online librarian
chat service



StartSpace
for business startups



Alchemy
creative grants program



Memberships
program



**Rural and Regional
Photography**
Commission



Growing and sharing the State Collection

35,394 items added to the collection

20,376 digitised collection items added
to the catalogue and Trove

22,611 titles now in the
electronic book collection

**21,751 new bibliographic
records** added to the catalogue

30,652 collection items
preserved and conserved



Collection accessed

35,521 physical collection items accessed

1,577,777 uses of digitised collection items



Visitor satisfaction

Onsite visitor **satisfaction 96%**

Net Promoter Score 8%
above target at +69 points



Community reach and educational engagement

24,800 new
Access members registered
40% of visitors identified as **CALD**
196 education programs
reached **7454 school students**
342 students took part in
Teen writers' bootcamp
Supported Victoria's **48 public**
library services



Online visitation

Website hosted almost
5.3 million sessions
Catalogue used by **311,032**
people
Social media following grew by
15,581 to **over 167,036**
Over **29 million social media**
impressions with over **706,805**
engagements
Librarians responded to **6472 offsite**
research queries



Digital program highlights

Digital programs total **views 224,126**
Ask a Librarian over **9000 views**
Storytime over **7000 views**
Bibliotherapy podcast
16,308 listens
6 Weeks, 6 Issues series
almost **4000 views**
Collection highlights video series
46,655 views



Vision 2020 building redevelopment awards

Australian Institute of Architects National
Awards, **Commendation for**
Public Architecture, 2020
Australian Institute of Architects (VIC)
Awards, The Melbourne Prize,
Public Architecture, and
Heritage – Conservation, 2020
ALIA Australian Library Design Awards,
National Exemplar Award, 2021
Victorian Premier's Design **Awards for**
Architectural Design, 2020

Vision and values

As expressed in our *Strategic Plan 2020–24*, the Library is guided by the following vision and values.

OUR VISION

A library for all in a changing world

OUR PURPOSE

We believe that access to information and stories builds knowledge, strengthens community and inspires our future.

OUR STRATEGIC PILLARS

Inclusion and reach

More Victorians will engage with State Library Victoria.

Empowering through knowledge

Engagement with the Library inspires curiosity and creativity, and builds new skills.

A collection for the community

Victorians value the State Collection as an accessible, trusted source that enables the creation of new knowledge.

A library for the future

A sustainable business model enables the Library to deliver cultural, social and economic benefits to the State.

OUR 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.

Collaboration

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

Engagement

We work to understand, connect and inspire the people we serve, and focus on meeting rapidly changing community needs.

Excellence

We deliver outstanding services, created and delivered with the highest standards of professionalism.

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 directions of the *Strategic Plan 2020–24* and reports on our activities in line with the Library's four strategic outcomes:

- Inclusion and reach
- Empowering through knowledge
- A collection for the community
- A library for the future.

Key initiatives and projects

The key initiative delivered during the reporting period was:

1. Activation of StartSpace, the Library's new co-working space and resource centre for emerging small business and startup founders.

Key initiatives for 2021–22 will be:

1. Public launch of the Victorian Indigenous Resource Centre, a new service providing a safe and welcoming space for Victoria's First Peoples to access Indigenous materials in the State Collection (scheduled 2020 public launch was delayed due to COVID-19)
2. Reactivation of the Library's exhibitions programs including the launch of the second major exhibition in the Victoria Gallery endowed by the John and Myriam Wylie Foundation and a new summer activation in the Keith Murdoch Gallery
3. Rollout of a new integrated library management system as part of the Library's digital and technology improvements
4. Relaunch of the Library's Fellowships program.

COVID-19

Due to Victoria's second COVID-19 wave, and in line with Victorian Government restrictions, the Library closed its buildings for a second time from 7 July until 18 November 2020 – the longest period of closure in our 165-year history. The building was closed again between 13 and 18 February 2021 in a statewide circuit-breaker and once more between 28 May and 24 June. Despite these disruptions, many Library services remained open, 24 hours-a-day through our online and social media channels.

Having experienced the earlier COVID-related building closure from 16 March to 15 June 2020, the Library was

primed for digital delivery of services and engagement activities and these were refined throughout the course of the closure.

We continued to increase our digital offering across all channels, driving audience engagement and community connection, as well as providing a safe and reliable source of trusted information in a time of crisis.

In July, a new talks program, 6 weeks 6 issues, was delivered to help the community understand the COVID-19 pandemic and its global impact. It featured policy experts and decision-makers leading the planning for Victoria's recovery in health, education, work and the economy. Videos in the series were viewed 3999 times.

As the COVIDSafe actions continued into September, the Library launched its first podcast, *Bibliotherapy* with State Library Victoria, designed to bring calm and comfort in uncertain times through focused and guided readings. Staff member Dr Susan McLaine, a leading expert in Bibliotherapy, produced nine episodes along with a further two for children. The podcast was listened to 16,308 times between September and June.

“Your voice, so calm, so soothing. I just did my daily yoga, then put my feet up and listened to your podcast. I want more, I can't wait until next Saturday.”

BIBLIOTHERAPY ENTHUSIAST

Since July, Library websites have hosted almost 5.3 million user sessions, 1,647,436 of which were driven by use of the catalogue. Our librarians have responded to 6615 reference queries via phone, email, and onsite, and via a new online chat service which was trialled

to provide immediate, responsive service to the public remotely. Average daily inquiries were up 29 per cent.

With the support of third-party vendors, we continued to extend remote access to licensed databases. There has been high demand for these resources, with a 10 per cent increase in usage. Ancestry was the most popular database, with usage 137 per cent higher than the 2018–19 reporting period.

Our engagement with the community via social media grew with total followers across social Twitter, Facebook and Instagram channels increasing to 167,036, which is 15,581 more followers than the 2019–20 reporting period. Facebook posts have reached almost 13.5 million feeds and we have generated more than 4.5 million Twitter impressions.

We delivered 172 digital programs from July to November 2020, attracting more than 56,000 views. Our digital programs attracted a total of 224,126 views for the reporting period. The most popular programs were Ask a Librarian with over 9000 views, and Story Time with over 7000 views.

‘Living regionally, your Storytime stream has opened the Library to us despite the physical distance, and we love it.’

STORYTIME ATTENDEE

The Library’s partnership with Gandel Philanthropy continued to deliver a suite of online programs for younger children while schools and pre-schools were closed. The programs kept children entertained and supported their learning during a period of social isolation before starting to safely move back onsite from April. The series of Story Talks and storytelling workshops with leading children’s authors and illustrators drew 4260 online views for pre-recorded components during the periods of building closure, and 1135 participants for live programming delivered online and later onsite at the Library.

We continued to drive community contributions to Memory Bank: the Collective Isolation Project. We created this initiative to encourage Victorians to become citizen collectors, capturing their everyday experiences so that future generations can understand what it’s like for all of us living through this pandemic time. The online community, run through a Facebook

group, has involved 2238 members, and generated 762 posts and 21,315 engagements.

In line with advice from the Victorian Government, the Library began a staged building reopening on 19 November 2020 with COVIDSafe requirements for occupancy limits, session bookings, check-ins and enhanced cleaning and hygiene regimes.

With support from the Victorian Government through Creative Victoria, we added outdoor seating and shading to allow the COVIDSafe activation of the Library forecourt. Over two weekends in February we hosted Library on the Lawn, an outdoor program of live performances, workshops and storytelling to help the community to reconnect with the Library and each other after an isolating year. From 18 February to 2 March we exhibited an outdoor photography display on the Library’s lower forecourt as part of the PHOTO 2021 international festival of photography. The work featured was by the inaugural State Library Photography Fellow, Hayley Millar-Baker.

Our transformative Vision 2020 redevelopment, which was completed in December 2019, had delivered 40 per cent more public space, 70 per cent more public seating, and improved services across the Library. While COVID-19 forced the building to close for long periods from March to June 2020 and again from July to November, the benefits of the redeveloped State Library were realised as a steadily increasing number of people returned to use the building. The increased public space within the Library building allowed COVIDSafe occupation while the broad adoption of video streaming technology in the redeveloped areas equipped the Library for international event participation while travel into and out of Australia remains restricted.

As COVID-19-related settings continue to fluctuate, we are committed to ongoing delivery of compelling online and COVIDSafe onsite engagement activities and service provision.

Inclusion and reach

More Victorians will engage with State Library Victoria.

The Library seeks to foster a sense of belonging for all people, valuing people’s differences, their unique backgrounds and diverse experiences. Our vision of a Library for all is centred around the principles of inclusion, diversity and accessibility, where every visitor, every community and every employee feels welcome, included, and a sense of belonging.

At State Library Victoria, engagement is about listening, connecting and creating impactful experiences for all Victorians. Our Engagement Strategy 2020–24 sets

out our engagement goals and activities for the next four years.

The strategy outlines five priority goals:

- Greater awareness and connection with the Library
- Inclusive experiences that foster learning and creativity
- Strong, authentic relationships with First Nations people that benefit Aboriginal communities
- More rural and regional Victorians engage with the Library
- Founders from all walks of life are supported to set up sustainable ventures.

During the reporting period, there were almost 5.3 million engagements with the library via our websites and we have welcomed 410,259 visits onsite.

Audience diversity

Our diverse audiences reflect the cultural richness of the broader Victorian community. We deliver inclusive services for all Victorians including young learners, people with a disability, Aboriginal and Torres Strait Islander peoples, culturally and linguistically diverse (CALD) communities, and residents of regional and remote areas.

During 2020–21, 40 per cent of Library visitors identified as CALD and 28 per cent speak languages other than English at home. Around 33 per cent of Library visitors are students, and 8 per cent are international students. Due to COVIDSafe requirements preventing international travel there was a marked downturn in international visitors, from more than 41 per cent last year to 2% in the current reporting period.

During the reporting period we developed a workforce Inclusion and Diversity Strategy to meet requirements under the Gender Equality Act, including the production of a Gender Equality Action plan, and requirements under the Disability Act. The strategy complements other Library work designed to improve engagement with diverse audiences. Integral to the strategy was the establishment of the Inclusion, Diversity and Access portfolio to drive inclusion, diversity and access initiatives across the Library, with particular focus on areas of diversity including Aboriginal and Torres Strait Islander peoples, disability, gender, LGBTIQ, age, CALD and social inclusion. Proposals in development include all-gendered bathrooms in front and back of house spaces, and development of a framework to provide young people from diverse backgrounds pathways to careers with the Library. A designated prayer room back of house was established, and protocols for the acknowledgement of Country and Aboriginal and Torres Strait Islander people and culture were implemented.

Aboriginal and Torres Strait Islander peoples

State Library Victoria acknowledges the traditional lands of all the Victorian Aboriginal Clans, and their cultural practices and knowledge systems.

We recognise that our collections hold traditional cultural knowledge belonging to Indigenous communities in Victoria and around the country. We support communities to protect the integrity of this information, gathered from their Ancestors in the colonial period.

We pay our respects to their Elders, past and present, who have handed down these systems of practice to each new generation for millennia.

Information held in our collection is a powerful resource for Aboriginal and Torres Strait Islander peoples wishing to reconnect with family and community, and to strengthen personal and cultural identities. We are committed to ensuring that Victoria's Aboriginal and Torres Strait Islander people are represented, respected, included and involved in the development of our Indigenous programs, services, collections and workforce.

Due to the sensitivity and significance of our collection materials, we have a responsibility to ensure there are systems in place to deliver culturally respectful services to Aboriginal and Torres Strait Islander people. The Victorian Indigenous Research Centre (VIRC) provides this as a welcoming and safe space dedicated to Indigenous people, supporting access to services, programs and collections, and as an acknowledgment of their culture in the Library. Prior to our building closures due to COVID-19, this space was operational in a limited capacity for community members to access collection materials, undertake research and write. The VIRC's full public opening has been rescheduled to later in 2021.

The Library is actively seeking to develop pathways to meaningful engagement with Aboriginal and Torres Strait Islander peoples by fostering a workplace culture that respects and values the skills, experiences and perspectives of Aboriginal and Torres Strait Islander staff, visitors and communities.

The Culturally Safe Libraries Program is part of a wider three-year National and State Libraries Australia (NSLA) Indigenous cultural competency project that seeks to bring about positive change in the library sector by facilitating consideration of issues impacting Aboriginal and Torres Strait Islander peoples, and ensuring these considerations form part of the Library's overall decision making.

By the end of 2021, all State Library employees will have completed online learning and attended discussion forums exploring themes of identity, privilege, and engagement with Aboriginal and Torres Strait Islander communities.

After a review of the Library's Fellowships program, two Indigenous Victorian Aboriginal Cultural Research Fellowships will be offered in 2021. The Fellowships are open to researchers who identify as an Indigenous Victorian Aboriginal, and aim to increase Aboriginal Victorians' access to cultural knowledge held in the Library's collections by supporting researchers to identify important items and produce research material to be used by the community.

As part of the City of Melbourne's Commissioned Partnerships program, the Library will lead a consultation and creative development project with First Nations community members to deliver a visitor tour focused on Aboriginal and First Nations narratives of the Library site and collection. The tour is expected to launch in the second half of 2021.

“Our diverse audiences reflect the cultural richness of the Victorian community.”

KATE TORNEY, CEO

Universal access

The *Disability Act 2006* reaffirms and strengthens the rights of people with a disability and recognises that this requires support across the government sector and within the community.

Our Disability Action Plan 2021, which covers the 2021 calendar year, was developed to highlight the importance of disability voice, consultation and engagement in all Library systems. The plan identifies four focus goals for 2021:

- Reduce barriers for people with disability in accessing information, collection material, services and facilities.
- Reduce barriers for people with disability in obtaining and maintaining employment.
- Promote inclusion and participation of people with disability in the community.
- Achieve tangible changes in attitudes and practices which discriminate against people with disability.

The Disability Action Plan is designed to cover a one-year period and provide the framework for the development of a three-year plan with specific action points acknowledging the social model of

disability and advantages of new technology to empower communities. Progress is being made towards the achievement of these action points with the establishment of a work stream on disability, which is focused on identifying and removing barriers to accessing our programs and services and within our workforce. Suitable disability partners for the Library have been identified, and programming aimed at audiences – and in particular children – with disability will be developed.

In the past year we have delivered Auslan interpretation at 15 children's programs supported by Gandel Philanthropy. Assistive technology in our front of house spaces supports onsite visitors with a disability, and our move to provide greater levels of digital programming and services is beneficial for our audiences with disabilities. In addition, Library staff participated in disability awareness training throughout the year. Work is underway on the next disability action plan to align to the remainder of the current strategic plan period.

Regional engagement

Remote and regional audiences benefited from the growth in live-streamed Library programming and online events during the building closures. There were more than 41,000 online users from regional areas during the reporting period.

In partnership with the Emerging Writers' Festival, the Library delivered Regional Echoes, a virtual walk through regional and rural Victoria on an interactive sonic map. Six artists from regional and rural Victoria contributed readings and reflections on how regional Australia features in storytelling. The program artists included Renay Barker-Mulholland, a proud Birpai and Daingatti woman, Josephine Winter an author and journalist working in regional Victoria and William Farnsworth a non-binary writer.

In April, we launched a public appeal to raise funds to document the devastating effects of COVID-19, bushfire and drought on Victoria's regional and rural communities. Funds raised through the Focus on Country Victoria end-of-financial-year appeal will engage five local photographers from five Victorian regions to unearth the untold stories of loss and resilience in the aftermath of an extraordinary 2020. The pictures, along with oral history recordings, will be added to the State Collection, ensuring that the experiences of regional and rural communities can be shared both now and with future generations. This work builds on the Library's Rural and Regional Photography Commission, which engaged four photographers to document regional communities they were connected with. They captured images between May and November and a selection of these were exhibited in the Victoria Gallery endowed

by the John and Myriam Wylie Foundation from March 2021.

Two new Regional Creative Fellowships will be offered in 2021–22. Open exclusively to residents of regional Victoria, these Fellowships provide creatives and scholars with a unique and supportive environment in which to immerse themselves in our collections. The Marion Orme Page & Regional Arts Victoria Regional Fellowships will offer a further two fellowships to regional Victorians. These two Fellowships are delivered in partnership with Regional Arts Victoria and are supported by a generous donation from the Marion Orme Page bequest.

In May, StartSpace delivered five roadshow events providing information and guidance for international students and budding entrepreneurs curious about starting a business. The roadshow was part of the expanded Future Founders Festival program and included events in Geelong and Ballarat, and an online event open to people throughout Victoria.

In February, the Library launched the (SL)V-line social media series, showcasing beautiful images of regional Victoria held in our collection. The series 'visits' a regional Victorian town each week and has visited a broad selection of regional areas including Anglesea, Ballarat, Cowes, Daylesford, Echuca, Fish Creek, (The) Grampians, Harrietsville, Irymple, Jamieson, Kyabram, Lorne and Mt Buffalo. The series has reached over 1,635,846 accounts with more than 55,882 likes, comments and shares.

Digital inclusion

The Library aims to overcome online barriers through programming that builds digital literacy, provides easy access to digital content and experiences, and offers ways to explore new creative technologies. The ongoing development of integrated online and onsite programming creates more opportunities for communities to participate from wherever they are in Victoria or the world.

In partnership with Public Libraries Victoria, we continued to deliver Creative Tech Fridays, a skills-based 'how to' series on creative technologies such as 3D-printing, audio- and video-editing and using Library collections to make craft projects. The series has reached over 8000 participants across Victoria.

The Kindergarten IT Program continued delivering digital inclusion services to community-based kindergartens for the Department of Education and Training. During the year, we delivered a round of statewide professional development technology sessions offering 544 places to early learning staff across the state. Due to COVIDSafe requirements, these were delivered as interactive

webinars. We also provided technology support to 2827 early childhood centres for the Transition Learning and Development Statement project, produced seven instructional resource videos which received 3036 views, and published 12 quick tips, which were viewed 6481 times.

Engaging and educating

Our learning programs delivered onsite, online and throughout the statewide public library network are designed to engage and inspire learners at every stage of life.

A new series of live virtual programs for school students was rolled out in July to coincide with the return to home-schooling for much of Victoria. Research Essentials for Secondary Students was a free program that taught Years 7–10 students to look beyond the top search results in Google, find reliable information online and think critically about it.

As part of National Science Week 2020, we created Deceptology, a series of video lessons with magician and author Nicholas J Johnson teaching the science behind magic and showing how and why we fall for illusions and deceptions. Extended activities were produced for children aged 9–12 to use during remote learning periods. Deceptology was made possible with the support of the Lewin Family Fund.

Our September school holiday program included the Build a Dreamscape workshop with Melbourne artist and author Tai Snaith, a kids' disco with stories, and online craft activities.

The Library developed the VCE Research Skills workshop as intensive webinars introducing Year 10 and VCE students to practical research tools and strategies to help them succeed in senior secondary school studies. Students were introduced to research guides on a range of subjects relevant to VCE, learned how to refine complex search queries to find relevant information, navigate our extensive range of free databases and understand the importance of being a critical and creative thinker. The program was supported by the Percy Baxter Charitable Fund and Margaret Ross AM.

New education programs launched in October included online excursions exploring Colonial Victoria through the lens of our collection. Students in Years 3–8 explored perspectives of significant Victorians from the past, and Years 9–VCE students conducted rigorous historical source analyses. These online programs were aligned with the Victorian curriculum.

Our new teen writing boot camps launched in March for 13–18-year-old aspiring writers, and 342 Victorian

students registered. Twenty-four boot camp sessions were delivered online and covered topics such as slam poetry, screen writing, science writing, non-fiction writing, own voices and contemporary fiction. Writers Sukhjot Kaur Khalsa, Nova Weetman, Alicia Sometimes, Zoya Patel, Nevo Zisin and Dr Jared Thomas led the free and popular workshops. This program was made possible with the generosity of The Serp Hills Foundation and JTM Foundation.

Throughout the year 7454 school children took part in a total of 196 education programs for primary and secondary students. Thirteen per cent of these virtual workshops were for schools in regional Victoria and 30 per cent of sessions were for schools from an identified disadvantaged background (had an ICSEA below 1050). Ninety-seven per cent of students surveyed said they learnt something during the workshops.

Schools programming continued in digital format for Terms 1 and 2, before the launch of a reimagined onsite and digital dual-format schools offer in Term 3.

Onsite summer programming for children and families attracted 500 people.

Support for the creative industries

In May, we announced Alchemy, a new creative grants program inviting Victorian creatives to develop inspirational visitor experiences that draw on our reimagined spaces and extraordinary collections. Alchemy offers individuals, teams or organisations funding and mentoring to deliver a new concept, business plan or pitch that brings the Library to life in surprising and imaginative ways. More than 300 submissions were received for the program, with 14 selected to progress. The program aims to help build a sustainable suite of online and onsite visitor experiences while also supporting the creative industries to recover from the COVID-19 downturn. The creative development period will run from July to September 2021. At the end of the program, we will work with selected participants to bring their ideas to fruition.

Empowering through knowledge

Engagement with the Library inspires curiosity and creativity, and builds new skills.

Community engagement programs

Throughout the reporting period, we delivered 411 program sessions onsite, offsite and online.

During the building closures our programming was online only and designed to keep communities connected to our educational and inspirational resources and events. From April to December 2020

we ran the weekly Library in Your Lounge campaign to showcase the Library's online programs, services, collections, content and exhibitions.

In July we launched the Access All Areas video series where Library CEO, Kate Torney, took viewers behind the scenes to reveal cherished collection items, spaces, legends and legacies of the Library. Each of the ten episodes was complemented with further reading for deeper exploration of the themes.

Launched in October, The Future of ... series explored the innovations and future imagining of our lives as Victorians. This series of live digital events is available as podcasts and video on demand and is among our innovation and aspiration programs for adults in 2021.

The annual Stephen Murray-Smith Lecture was delivered online by journalist and author Erik Jensen in October. The lecture commemorates the contribution made by Stephen Murray-Smith to Australian intellectual life and has added many illuminating and thought-provoking ideas into the public conversation. This was the first time the lecture had been held online and was the most highly attended in the nearly 30 years of the series with over 1300 registrations, 455 views during the livestream, and a further 1953 views since the lecture was published online.

Also in October, Afternoon Tea and Talks with Astrid Edwards returned. These 30-minute live-streamed and video-on-demand episodes featured authors, Richard Fidler, Rebecca Huntley, Kate Mildenhall, Kylie Maslen, Maxine Beneba Clarke, Tara June Winch, Trent Dalton, Sophie Cunningham, Sarah Firth and Andy Jackson.

From August to December we added to the Story Talks series, which fosters a lifelong love of stories and storytelling by connecting primary-aged children to their favourite authors. New episodes included Nat Amore, Mat Larkin, Julianne Negri and Children's Book Council of Australia award-winning author, Boori Monty Pryor. For children aged 5–12 years we also delivered a series of online workshops. These practical sessions featured artists and writers exploring creative writing, animation and storytelling. Story Talks and the children's workshops were supported by Gandel Philanthropy.

Onsite school holiday children's programming returned in April with the first Kids' Takeover program, which transformed the Library into a dynamic, interactive and vibrant playground of performances and activities for children of all ages. More than 400 families attended, and every event was booked out. The Kids' Takeover program is scheduled to return in July 2021.

‘I’m really loving Story Talks with Allison & Davina. I have shared these with other teachers at my primary school while we are doing remote teaching.’

VICTORIAN EDUCATOR, 2020

Connecting with the community

The disruptions caused by COVID-19 affected our visitation metrics, which are very different to those in pre-COVID years. Annual onsite visitation of 410,259 reflects the reality of building closure between March and November 2020, as well as the staggered increase of permitted visitation following closures, in line with health advice.

Our online service delivery was expanded as we continued to serve our community while our buildings were closed. Online visitation to the Library’s websites achieved target with almost 5.3 million user sessions for the year. Expanded access to subscription databases not usually accessible remotely, and a comprehensive suite of online programming contributed to this performance.

In January we launched the Your Home under the Dome campaign, encouraging people to return to the Library onsite or discover more online, and highlighting the role we play in supporting and inspiring the community.

The Library’s Vision 2020 redevelopment project won several awards throughout the reporting period, highlighting its design excellence and value to the Victorian community. These included:

- ALIA Australian Library Design Awards, National Exemplar Award, 2021
- Victorian Premier’s Design Awards for Architectural Design, 2020
- American Institute of Architects, International Region Design Awards, Open International Architecture Merit Award, 2020
- American Institute of Architects, International Region Design Awards, Sustainable Future Award, 2020
- Australian Institute of Architects National Awards, Commendation for Public Architecture, 2020
- Australian Institute of Architects (VIC) Awards, The Melbourne Prize, 2020
- Australian Institute of Architects (VIC) Awards, Public Architecture, 2020
- Australian Institute of Architects (VIC) Awards, Heritage – Conservation, 2020

Social media platforms continued to attract new followers, with Facebook growing 9.3 per cent to 81,464 and Twitter by 2.5 per cent to 35,218 during 2020–21. Our Instagram following grew by 18.8 per cent to 50,613, helping take our total online community on these platforms, plus LinkedIn and YouTube to 179,008. Social media highlights include:

- Launch of the video series New Nostalgia, The Library Files and Mystery Box, which showcase little-known treasures from the collection. Together with the From The Vault series these videos were viewed over 46,655 times across social media platforms.
- Social media posts announcing the November reopening of the Library after the longest closure in its history, reached 431,386 accounts with 6819 engagements.
- Posts announcing the new Ned Kelly armour display reached 320,928 accounts with 5804 engagements across social channels and our behind-the-scenes Instagram story reached 8400 people.

Overall, our social media content achieved 29,865,365 impressions in 2020–21, resulting in over 706,805 engagements.

Maintaining community connection to the Library collection was a priority during Victoria’s lockdowns, and while people remained cautious about leaving home. Between September and February, we produced From the Vault, a 14-part online video series that delved into the surprising stories behind the unique archival images in the State Library Victoria catalogue. Videos in the series were viewed over 224,000 times.

Media coverage of the Library and our activities in 2020–21 was valued at \$22,294,215 and reached an audience of 175,512,602.

Highlights include:

- reopening of the Library in November after the longest closure in its history, with broad coverage reaching over 640,000 people
- a live three-hour broadcast of ABC Radio Melbourne’s Drive program in March on the Library forecourt, featuring interviews with Library staff and a tour of the Library with host Rafael Epstein
- national media coverage of the relocation of Ned Kelly’s armour in April, reaching over 2.7 million people.

A new memberships program

In March we launched an expanded memberships program, with a new suite of Library memberships: Family, Student and StartSpace, tailored to the needs and interests of different Library communities and with specific benefits for each. The previous Friends of the Library members were transitioned to the newly named

Cultural Membership, and the Library's registered users became part of the Library's free Access Membership. The new memberships match a broad range of interests and needs and allow our community to deepen their engagement with the Library.

Digital delivery

The Library continued to develop systems and invest in technology infrastructure to allow staff to deliver services from anywhere during periods of closure due to COVID-19. We enhanced our work-from-anywhere capability with greater use of Microsoft Teams, and further developed cybersecurity measures, including the adoption of multifactor authentication across our offsite technology. By maintaining a flexible, functional and secure technology infrastructure we have been able to provide a high quality of service remotely throughout the pandemic.

Information and communication technology (ICT) expenditure

ICT expenditure refers to the Library's costs in providing business enabling ICT services within the current reporting period. It comprises Business as Usual (BAU) ICT expenditure and Non-Business as Usual (Non-BAU) ICT expenditure. Non-BAU ICT expenditure relates to extending or enhancing the Library's current ICT capabilities. BAU ICT expenditure is all remaining ICT expenditure that primarily relates to ongoing activities to operate and maintain the current ICT capability.

For the 2020–21 reporting period, the Library had a total ICT expenditure of \$5,557,716, with the details shown below.

2020–21 ICT expenditure

BAU expenditure Total	Non-BAU expenditure Total = A+B	Operational expenditure A	Capital expenditure B
\$3,675,775	\$1,881,941	\$1,402,888	\$479,053

Customer service

Although the Library building was closed between July and November, onsite visitor satisfaction, as measured by the annual intercept survey, was at 96 per cent and our Net Promoter Score was 8 per cent above target at +69 points. This demonstrates the excellent work of teams across the Library in maintaining a welcoming environment, informative communications and responsive customer service during a time of huge disruption.

In January we introduced COVID Marshals in partnership with the Brotherhood of St Laurence Given the Chance program, which prepares disadvantaged job seekers

for paid work placement opportunities. Program participants undertook a Level 2 Certificate in Security Operations training and made a significant contribution to our COVIDSafe reopening. The program ran until 30 June.

The Library is committed to providing an excellent and COVIDSafe customer service and visitor experience across visitor services, security, programming and events.

Volunteers

The Library continues to benefit from the expertise and generosity of volunteers who work alongside staff to enhance visitor experience and support programming and collection projects. Throughout the year, our volunteers contributed 2766 hours to the Library.

Throughout the building closures, our volunteers continued to make valuable contributions online. During the reporting period, 72 Collection Development & Description volunteers contributed 2695 hours deciphering and correcting digital newspaper records line-by-line, improving the discoverability of Victorian newspapers on Trove, an online database that provides free worldwide access to digitised collection items from Australian libraries, universities, museums, galleries and archives.

Keeping our volunteers engaged and supported throughout the periods of building closure was a priority and many wellbeing strategies were used to help hold the volunteer community together. Volunteer coordinator staff supported vulnerable members of the volunteer team who lost work or were unable to return home, especially international students. Regular check-ins and virtual gatherings maintained the group's connections, while training was developed and delivered by the Library in collaboration with the volunteers to build capacity among the team.

‘ I am proud to be part of our Greeter family which understands and embraces the diversity of its volunteers. ’

VOLUNTEER LIBRARY GREETER

Volunteer Greeters are due to return onsite once we are able to reopen the building. Greeters represent a wide range of cultural and social backgrounds and age groups, and between them speak 35 different

languages, including Auslan. We also plan to welcome back onsite our volunteer tour guides, who provide a vital and valued engagement with the public in showcasing all the Library has to offer.

A collection for the community

Victorians value the State Collection as an accessible, trusted source that enables the creation of new knowledge.

State Library Victoria's collection is one of Australia's great cultural treasures. We have continued to build our collections and share them in ways that encourage access to our resources, services and experts both onsite and online. With the continued development of new online resources and experiences, and enhancement of online access to our content, we can offer greater access to our collection for people in Victoria and around the world.

Collection development

Our Collection Strategy 2020–24 will guide our collection-building activities over the next four years. The strategy was developed through intensive reflection, research, listening and discussions in consultation with the community to ensure we deliver on our vision to be a library for all in a changing world. It has a particular focus on diversity and access.

The Collection Strategy focuses on our role in:

- Collecting the everyday and extraordinary voices, stories and experiences of Victoria in a global context
- Preserving history and culture, for use today and in the future
- Sharing our collection to enable access and discovery.

This year 35,394 items were added to our collection and 21,751 new bibliographic records were added to the catalogue. Our electronic book collection comprises 22,611 titles, which is part of our electronic collection of 65,573 items (10,103 of which were added this year). This born digital collection includes archived websites and Victorian titles added to the National eDeposit (NED), and born digital pictures, manuscripts and purchased ebooks and eresources.

We continued to offer online access to our collection of 108 purchased eresources and 60 subscription databases, supporting Victorians while access to our buildings was not possible. We thank ProQuest and Ancestry for their continued generosity in allowing free, extended remote access for Library members during the pandemic period.

The impact of COVID-19 and input from the community during the consultation for the new Collection Strategy highlighted the importance of our

digital collection resources. We made a significant investment in purchasing additional digital resources this year, with 24 new eresources offering an additional 143,398 monographs and serials for remote access. These include: *Archives of Sexuality and Gender*; *Refugees, Relief and Resettlement: Forced Migration and World War II*; *National Geographic Magazine Archive 1995–2015 Supplement*; *Political Extremism and Radicalism: Far Right and Left Political Groups in the US, Europe and Aust. in the 20th Century*; *Making of the Modern World*; *Anthropology Online*; *Disability in the Modern World*; *Human Rights Studies Online* and *Underground and Independent Comics, Comix and Graphic Novels*. Many of these titles address our priority to build a more diverse collection, and, as electronic collections, they are available to the largest possible number of readers.

The Australian framework for the valuation of public sector collections for general purpose financial reporting requires a comprehensive valuation of the State Collection on a 5-year cycle. We engaged Jones Lang LaSalle, specialists in valuation of collections with cultural significance, to conduct a valuation this financial year.

Significant acquisitions added to the collection during the year include:

- *Johannes Bosco's Sphaera Mundi (Venice 1488)*. This early edition of a medieval astronomical text is based on the works of Ptolemy and his Arabic commentators. It is one of the earliest examples of colour printing in Europe. The library is grateful to former staff member Jan McDonald who donated funds to acquire this item.
- 30 sketchbooks and a limited-edition exhibition publication by artist Juan Davila. The sketchbooks record the development of Davila's ideas and include drawings, cartoons, photographs, clipped images, notes, diary notes and comments from artists and others. This acquisition builds on an existing purchase of Davila's work in 2007–09 and ensures that the Library holds an almost complete archive of the artist's developmental work.
- *Dante Alighieri (Tom Phillips translations and illustrations) The Divine Comedy of Dante Alighieri – Inferno*. This acquisition coincides with the 700-year anniversary in 2021 of the death of Dante Alighieri. Phillips created his version of Dante's *Inferno* in 1983, translating the text, and producing 168 full-page illustrations. The work has been described as 'one of the most important artist's books of the twentieth century'. The copy purchased is a set of unbound sheets which will allow a framed selection to be shown in our *World of the Book* exhibition.
- 33 volumes of Stephen Murray-Smith's journals, including two volumes written on a trip to Denmark

in 1971 and 31 personal journals from 1977–88, completed continuously over the last 11 years of his life. Murray-Smith was an important cultural presence in Australian life. The journals are an important artefact of literary and cultural life in post-war Victoria. The acquisition builds on an extensive collection of Murray-Smith papers acquired over 1980–2015.

- *Behind the Paint*, a series of 14 photographic portraits by Shannyn Higgins documenting Victorian street artists. In the series Higgins heroes this unique sub-culture by capturing the state's internationally renowned street artists within a world that they've created. The 14 portraits were taken over two weeks in February at urban street art festival, *Can't Do Tomorrow*.

Digital collection discovery

Digital collection discovery makes our collection available to the world 24 hours a day. With the Library building closed to staff as well as the public for periods during 2020–21 due to COVID-19, the shift to working from home allowed us to focus on digital projects, including:

- **State Library Victoria on Wikipedia** – to create or enhance Wikipedia entries for any topic for which State Library Victoria held substantial or significant collections of original or rare material. The project enhanced 101 Wikipedia pages, created five new pages, and added 6300 words of text and 116 images from the State Collection.
- **Image metadata updating** – to improve the discoverability of our digitised content through the enhancement of descriptive metadata for images in our Digital Asset Management and Preservation System (Rosetta). The project created metadata for 9561 collection images (equating to 333,340 words written).
- **Trove text correction** – to enhance the discoverability of content in digitised Victorian newspapers available on the Trove website. The project has corrected over 560,000 lines of text across 10,000 articles.
- **Photographing the pandemic** – to create a social archive of digital photographs documenting local neighbourhoods and suburbs during the COVID-19 pandemic. The project has resulted in over 1900 digital images to date, with associated descriptive metadata, to be added to the State Collection.

Throughout the year the Library added 20,376 digitised collection items to the online catalogue and Trove. This included over 15,800 images from the Committee for Urban Action (Fitzroy) collection, the Maggie Diaz collection of film negatives, the Henry Talbot photographic collection, and over 4400 newspaper issues.

Other highlights from the Library's digitising program include the:

- Victorian municipal directories, 1879–1953
- Vali Myers archive
- Marion Page archive
- John Emmerson Collection.

Our Legacy Data Project continues to update our catalogue records to improve online discoverability of items in our collection. We thank Creative Victoria for their support of this project.

Collection storage

The safe storage of the State Collection is critical to ensuring it is available now and for generations to come. During the year, we moved 7.9 kilometres of collection material, including 4.1 kilometres of works associated with reconfiguring the Redmond Barry Reading Room.

Federation University's archived student records and items from the Geoffrey Blainey art and historical collection were transferred to the Library's Ballart offsite storage facility (BOSS), allowing the University access to these collections. 1666 microfilm masters were also transferred to the Ballart facility from the National Library of Australia.

Significant collection storage fit-outs for the large object stores, heritage furniture store and cold stores at BOSS are nearing completion and the final stage of the collection storage fit-outs in Dome level 1 at the Library have also been completed this year.

Collection care

The periods of closure of the Library building due to public health measures had a major impact on our conservation and preservation activities. Work shifted focus to projects that could be undertaken offsite, such as conservation research. However, we recommenced onsite work from December with 30,652 collection items being preserved and conserved, and 10,922 new and heritage items being processed into the collection.

From November, the Preservation team made six site assessments of a backlog of collections that had been offered to the Library since June 2020, and work resumed onsite on the assessment and treatment of newly acquired collections. Ninety-seven collections totalling approximately 469 items and boxes, were assessed and treated between November 2020 and June 2021.

Major conservation treatments

During the longer COVID-19 closure period we were able to arrange conservation treatment of several paintings from the Cowen Gallery and treat all six sculptures and the two historic lamp posts on the Library forecourt.

The bronze sculptures of George and the Dragon, Jean d'Arc, Redmond Barry, Charles La Trobe, Lizard and the Gumnut Babies, and The Bunyip, were all cleaned and waxed to protect against pollution and corrosion. The fragile sandstone plinths of George and the Dragon and of Jean d'Arc were cleaned and treated to reduce the impact of damage caused by graffiti.

The Marquill Foundation funded the major treatment of John Glover's *Constitution Hill at Sun set Van Diemdiemans* (sic) *Land, Old Prince's Bridge & St. Paul's by moonlight* by Ludwig Becker, and Ugo Catani's painting *Collins Street, rainy weather*. The newly treated Glover and Becker works are back on display in Cowen Gallery and the Catani work was loaned to the National Gallery of Victoria for their *She-oak and Sunlight: Australian Impressionism* exhibition.

Other paintings treated include the *Portrait of Archbishop Mannix* by Max Martin, and the *Portrait of Georges Mora* by Caroline Williams which went on loan to the Art Gallery of New South Wales in May for the *Archie-100* exhibition and tour celebrating 100 years of the Archibald Prize, which opened in June. The very fragile portrait of *Mme Nivartlet* by Violet Teague was identified for treatment, and the painting by Clarice Beckett, *Princes Bridge*, was prepared for loan for the retrospective *Clarice Beckett: The present moment*, at the Art Gallery of South Australia.

Collection loans

Collection loans allow us to share our collections throughout Australia and around the world. COVID-19 had a major impact on our loans program of both outward loans that support external exhibitions and inward loans that support our own exhibitions. Many of the inward loans for Victoria Gallery and the Dome Galleries were extended. Loans for Victoria Gallery could not be returned until early 2021 when travel restrictions were relaxed. Loans for the newly refreshed *Changing face of Victoria* exhibition had their agreements extended until 2022.

Exhibitions which closed in 2020–21 and featured items from our collection attracted a total of 131,592 visitors. Many planned external exhibitions during 2020–21 were cancelled or rescheduled due to the pandemic, or rescheduled to take into account later opening dates and interstate and national border closures. Loans for Victorian and interstate exhibitions resumed in late 2020. In this shortened period the Library loaned 32 items to the following institutions:

- Old Treasury Building, *Yarra: Stories of Melbourne's River* (Dec 2020–Nov 2021)
- Art Gallery of South Australia, *Clarice Beckett: The Present Moment* (Feb–May 2021)
- Post Office Gallery, Bendigo Modern, *Revolution:*

Bendigo and the 1960s (Apr–Aug 2021)

- National Gallery of Victoria Australia, *She-oaks and Sunlight: Australian Impressionism* (Apr–Aug 2021)
- Art Gallery of New South Wales, *Archie 100, A Century of the Archibald Prize* (Jun–Sept 2021)
- Bayside Gallery, *Bayside: Portrait of Place* (Jul–Sep 2021)
- Parliament of Victoria Parliamentary Library, *Portrait of William Barak* (Jun 2020–Jun 2021)
- Gippsland Art Gallery, *The Happy Wanderer: The Art of Victor Cobb 1876–1945* (Mar–May 2021)
- Canberra Museum + Gallery, *Ruth Lane-Poole: A Woman of Influence* (Jul–Oct 2021)

‘Working in a place surrounded by great works of art was continually inspiring, as was knowing that my project would contribute to the Library’s knowledge base.’

CREATIVE FELLOW

Exhibitions

The periods of closure of our buildings dramatically reduced our ability to stage physical exhibitions over the reporting period. In March, when COVIDSafe settings allowed, we restarted our exhibitions program with a new display in Victoria Gallery. *Window on Collections: the Rural and Regional Photography Commission* is a temporary display showcasing work from Victorian photographers commissioned by the Library to document the impact of drought, bushfire and pandemic on our rural and regional communities. Over 350 photographs were captured for the State Collection by Tiffany Garvie in East Gippsland, Fabiana Guerreiro in south-west Victoria, Aldona Kmiec in Gippsland and James Wiltshire in north-east Victoria, each highlighting the importance of the lived experiences of Victorians during the extraordinary events of 2020. A selection of 30 works was shown in the display, which was accompanied by an online gallery for remote access.

Ned Kelly's armour, one of our most popular collection objects, last on display in the inaugural Victoria Gallery exhibition, *Velvet, Iron, Ashes*, returned in April in a new location in the South Rotunda. Prior to display, new mounts were designed and constructed, and the armour underwent assessment and conservation treatment.

In May we opened the entirely refreshed *Changing face of Victoria* exhibition in the Dome Galleries. This 15th iteration of one of our permanent exhibitions explores the spirit of activism and invention, and its impact on modern Victoria. More than 150 objects are on show including artworks, photographs and realia. Ninety per cent of these collection items have never been exhibited before. In a Library first, the exhibition was captured as a 3D virtual tour for detailed remote access.

Publications

Launched in May 2021, *On Thomas Keneally*, by journalist Stan Grant is the 9th book in the Writers on Writers series. Grant weaves literary criticism, philosophy and memoir to re-examine Keneally's novel *The Chant of Jimmy Blacksmith*, raising questions about identity, modernity and storytelling. In the 8th book, *On Beverley Farmer*, released in October 2020, novelist and short-story writer Josephine Rowe reflects on the themes of restlessness, desire and homecoming in Farmer's writing. The series is published by Black Inc. in association with the Library and the University of Melbourne.

The Library's *La Trobe Journal* issue no. 105 was published in September. Illustrated throughout with works from the Library's collection, this issue showcases new research on diverse topics, including works by artist Eric Thake, early 20th-century Japanese fairy tale books, a 19th-century album of cartes-de-visite, early Australian Rules football material, and a leaf from a 13th-century manuscript.

‘It was a privilege to have access to the collections and the generous knowledge of library staff.’

CREATIVE FELLOW

Fellowships

Since 2003, our Fellowships program has encouraged imaginative use of the Library's collections for the creation of new works. The program was placed on hold in 2020 while we undertook a review, looking to strengthen the program outcomes. The refreshed program will return later in 2021 with successful applicants to be announced in November.

Our Fellowships program is one of the richest in Australia with a total of 16 fellowships with a combined value in 2021 of \$215,000.

In 2021–22 the following fellowships will be offered:

Creative Fellowships (general) – two fellowships: provide scholars and creatives, working in any art form or subject, with a unique and supportive environment in which to immerse themselves in our collections. Funded by State Library Victoria.

Regional Creative Fellowships – two fellowships: open exclusively to residents of regional Victoria, with the same objectives as the general program. Funded by State Library Victoria.

Children's Literature Fellowship: supports a project using our children's book collection to explore aspects of children's book publishing, writing or illustrating, for early years, children or young adult fiction (0–18 years of age). Funded by State Library Victoria.

Indigenous Victorian Aboriginal Cultural Research Fellowships – two fellowships: support researchers who identify as Indigenous Victorian Aboriginal, to identify important items and produce research material to be used by the Aboriginal Victorian community and increase Aboriginal Victorians' access to cultural knowledge held in our collections. Funded by State Library Victoria.

Berry Family Fellowship: supports a project exploring an aspect of the social history of Melbourne or Victoria, based on our collections. Funded the Berry Family endowment.

Georges Mora Foundation Fellowship: gives an artist the opportunity to study, experiment and explore fresh thinking in their art, and uninterrupted time to work closely with the Library's rich resources. Funded by the Georges Mora Foundation.

La Trobe Society Fellowship: for Australian historians, scholars and writers wanting to research Victoria's colonial history during Lieutenant-Governor Charles La Trobe's administration. Funded by the La Trobe Society.

Regional Fellowships – Marion Orme Page & Regional Arts Victoria – two fellowships: support regional Victorians to work with published or original source material from our collection, in any way they choose. In association with Regional Arts Victoria, and funded by the Marion Orme Page bequest.

Russell Beedles Performing Arts Fellowship: supports the use of our collections for a project exploring theatre and the performing arts in Victoria. Endowed by the Russell Beedles bequest.

Amor Residency at Baldessin Press & Studio: a special residency opportunity for a visual artist wishing to explore works on paper, in particular printmaking, using the Library's research material. In partnership with the Baldessin Press.

Tate Adams Memorial Residency at Baldessin Press & Studio: offered to an artist to accomplish a limited edition or unique state artist's book, using research from our collection and the studio facilities at Baldessin Press & Studio. In partnership with the Baldessin Press.

Redmond Barry Fellowship: supports Australian and international writers and scholars wanting to use our collection to research a project in any discipline to produce works of literature. Jointly sponsored by the Library and the University of Melbourne, the Fellowship should make use of collections at both institutions.

A library for the future

A sustainable business model enables the Library to deliver cultural, social and economic benefits to the State.

Partnerships and supporters play a fundamental role in supporting and enhancing our ability to provide world-class library services and experiences for the community. The Library's investment in continuous improvement, workforce development and revenue-driven activity helps to position the Library for today and into the future.

Public libraries partnership

The year marked the commencement of a new three-year plan of collaboration for the State Library and Victoria's public library network, continuing a partnership of nearly 25 years.

The new plan will help ensure that Victoria's 48 public library services, and the State Library, remain well positioned to deliver world class library services to all Victorians. The plan has three priority areas of action: building professional capability in the library sector, advocacy for the sector, and enhancing the work of libraries in supporting community health and wellbeing.

A wide range of professional development programs were delivered this year with one thousand public library and State Library staff participating in training to build their personal and professional resilience during this challenging time. The three-day international conference, Libraries by Design, was a highlight in June, and was opened by the Minister for Local Government, The Hon. Shaun Leane, MP.

Building the capability of emerging library leaders remained a strong focus. In May, the eighth Shared Leadership Program was launched. This program builds future leadership capability in the sector and generates innovative projects to transform library services.

The Libraries Change Lives advocacy campaign continued in 2020–21, with an increased focus on engaging with public library funding decision-makers. Two budget submissions were presented to State Government. To support these, a major online sector event was held in September to showcase to the Minister for Local Government and other MPs the work of public libraries to support the community through the impacts of COVID-19. It highlighted initiatives that have helped Victorians to find work, supported students, maintained access to arts and culture, kept vulnerable communities connected, bridged the digital divide, and promoted early literacy.

Many of the thousands of personal stories collected as part of the Libraries Change Lives campaign have highlighted how public libraries support community health and wellbeing. This year, the State Library and Victoria's public libraries began a three-year program to better understand and articulate this role and drive service development. The Libraries for Health and Wellbeing Strategic Framework for Victorian Public Libraries 2021–24 has been developed and \$300,000 was allocated to ten innovative community health and wellbeing projects in public libraries across Victoria. Issues addressed through these projects include health literacy for men; social isolation, particularly among the elderly; and coping with the huge emotional toll of the COVID-19 pandemic.

Entrepreneurship and partnerships

As we look towards our community's recovery from the social and economic impact of the COVID-19 pandemic, entrepreneurship will play a critical role in creating new employment and opportunities. StartSpace, our new co-working space for early-stage small businesses and startups, is dedicated to providing inspiration, information and practical guidance to help new businesses grow from concept to reality.

In September, StartSpace delivered the inaugural Future Founders Festival online – Australia's first digital startup festival for international students, innovators and founders. A partnership with Study Melbourne, the festival attracted over 1100 registrations from emerging student founders for an events program featuring 26 sessions over five days, with 42 speakers from 17 countries. More than half the speakers were female, and the majority were from culturally and linguistically diverse backgrounds. A 48-hour virtual hackathon, delivered in partnership with Hacker Exchange, attracted over 800 expressions of interest.

From August to October 2020, StartSpace, together with PwC, delivered StartSpace 101, a series of weekly digital workshops which introduced early stage entrepreneurs to business basics and offered tailored support. Over ten

PwC staff members delivered sessions on topics including cash flow, investment and accounting.

The Future Founders Festival is returning as part of the Future Founders Program 2021, an expanded year-long program supporting international students and budding entrepreneurs as they take the first steps to realise their business ambitions. The Future Founders Program 2021 is one of the largest of its kind in Australia and forms part of the Victorian Government's \$33.4 million International Education Short-Term Recovery Plan.

StartSpace has welcomed 257 inducted free members, with a total of 552 applications received and 482 offers of membership made to eligible applicants to date.

‘There were so many great speakers who provided tips, advice, guidance and inspiration.’

FUTURE FOUNDERS FESTIVAL ATTENDEE

Creative and education sector partnerships

Australian Research Council (ARC) Linkage Grant

The John Emmerson Collection is one of the world's largest collections of rare English printed works, featuring books and pamphlets from the 15th to 18th centuries, and is the most significant gift of rare books in State Library Victoria's history. The grant was awarded in 2020 for the project, Transforming the Early Modern Archive: The John Emmerson Collection. The three-year project brings together experts in early modern studies and the digital humanities with our own specialist library staff to uncover the contents and scope of the collection and promote its scholarly significance, including through a digital exhibition to be launched in 2023. In November presentations were made by the ARC project team at the Bibliographic Society of Australia and New Zealand conference. The session was the best attended at the conference, generating great interest in the John Emmerson Collection and the ARC project.

Ardoch Foundation

Throughout 2020–21, we partnered with the Ardoch Foundation to link schools with a low Index of Community Socio-Educational Advantage (ICSEA) ranking to our education programs both online and onsite, particularly Story Talks, a Gandel Philanthropy sponsored program connecting primary students with beloved Australian children's authors.

The Garret

We supported another successful year of The Garret podcast, hosting recordings with a range of Australian writers, publishers and literary creatives, including award-winning authors Tara June Winch, Jess Hill and Anna Krien.

The University of Melbourne

We also continued our partnership with the University of Melbourne's Faculty of Arts on Signposts: Stories for Our Fragile Times, which began in June 2020. This online series is hosted by award-winning author and Boissbouvier Chair of Australian Literature, Alexis Wright, in conversation with some of Australia's finest storytellers, including Christos Tsiolkas and Melissa Lucashenko.

The May launch of the 9th book in the Writers on Writers series, *On Thomas Keneally*, by journalist Stan Grant filled the 320-seat capacity of the Library's Conversation Quarter endowed by the Hansen Little Foundation. The event featured Grant in conversation with author and screenwriter Christos Tsiolkas. Writers on Writers is a collaboration between independent publisher Black Inc., the University of Melbourne and State Library Victoria.

Grattan Institute

The Policy Pitch, a joint initiative of State Library Victoria and Grattan Institute, continued with a seminar series featuring panels of experts and critical thinkers tackling some of the most important problems facing Australia. These included the recovery from the COVID-19 pandemic, female workforce participation, the future of the national energy market and resetting permanent skilled migration after the pandemic. A highlight of the program was the annual Prime Minister's Summer Reading where Grattan CEO, Danielle Wood, along with journalist Geraldine Doogue, revealed their top six thought-provoking and relevant books and articles from 2020. The event featured interviews from four celebrated Australia authors: Alex Miller, Clare Wright, Evelyn Araluen, and Marian Wilkinson.

Melbourne Knowledge Week

The Library was an official hub partner for City of Melbourne's Melbourne Knowledge Week in April and May, delivering a week of activities exploring a smart and innovative future. The STEM focused 'My invention, my story': Girls Invent workshops helped children aged 6–12 to create a prototype of an invention of their own. This program was supported by Gandel Philanthropy.

Another Melbourne Knowledge Week event, Past Patents, Future Inventions, examined historical patents held in the Library's collections to illuminate the invention process. The panel discussion was moderated by ABC Radio National's Belinda Smith.

City of Melbourne

We hosted the City of Melbourne's Christmas projections from November to January. The projections featured a tribute to some of Melbourne's COVID-19 response workers.

The Wheeler Centre

In March, we partnered with the Wheeler Centre to host an in-conversation event with award-winning author Sarah Krasnostein. The fully booked event was presented in our Conversation Quarter, one of the Library's new Vision 2020 spaces.

Australian Library and Information Association (ALIA)

In May, we hosted the Australian Library and Information Association's 21st annual National Simultaneous Storytime in the Pauline Gandel Children's Quarter. The booked-out event connected children to the International Space Station as an astronaut read *Give me some space!* by Philip Bunting.

Open House Melbourne

We participated in a virtual version of Open House Melbourne 2020, continuing our long association with the program despite the COVID-19 building closure. Ruth Wilson, Principal and Studio Leader at Architectus, and Simon Farr, Associate, Architectus, led a guided video tour inside the roof of The Ian Potter Queen's Hall. Ruth Wilson also discussed the design of the Library's Vision 2020 redevelopment as part of the Open House Melbourne 2020 Speaker Series.

International relationships

In September, our CEO Kate Torney joined a panel of international library leaders for the inaugural International Federation of Library Associations and Institutions (IFLA) Leaders Conversation, a new digital platform for leaders in the region and beyond to share their insights on major developments in the library world. The focus of the inaugural event was the library sector's COVID-19 response. This series is jointly presented by the IFLA Regional Office for Asia and Oceania and the National Library Board, Singapore, and is in support of the IFLA Global Vision.

Travel restrictions prevented the Library from hosting international delegations during this reporting period.

Commercial and corporate partnerships

Our building closures during 2020–21 had a significant impact on our commercial tenants. Mr Tulk, Guild and Readings all closed and Showtime Event Group were unable to host events for much of the year. After our November building reopening we worked closely with our partners to rebuild commercial operations as visitors gradually returned to the Library and Melbourne's CBD.

The summer months saw an increase in wedding celebrations across Library venues. A steady increase in corporate events was also seen as office workers returned to the city. A highlight event was Runway 4 of the Melbourne Fashion Festival presented by Marie Claire. Hosted in the iconic, domed La Trobe Reading Room, the Library was a fitting location to celebrate the festival's 25th birthday.

Further periods of building closure in the reporting period continued to impact commercial operations.

Corporate Membership

We relaunched our Corporate Membership program in March, inviting members and partners back into the Library to experience the new spaces from the Vision 2020 redevelopment and to hear from thought leaders in the Corporate Member speaker series. The first event in the series was held in March with special guest speaker Rod Sims, Chair of the Australian Competition and Consumer Commission (ACCC), who spoke on the News Media and Digital Platforms Mandatory Bargaining Code.

In April, Ben Baker, a celebrated Australian portrait photographer, joined Library Board Member, Maxine McKew, to discuss how he connects with his subjects, who include some of the world's most famous and influential people.

The May event saw Maxine McKew lead a discussion with Jacinta Whelan from Watermark Executive Search and Dr Geraldine Kennett, Director of the La Trobe Business School MBA Program, on the rise of the interim executive.

Continuous improvement

The Library is focused on constantly improving the way we work, in order to deliver outstanding services for the public we serve.

In this reporting period we delivered Lean Six Sigma process Awareness Sessions to 170 staff, Yellow Belt training to 134 staff and Black Belt training to one staff member, enabling a roll-out of this methodology throughout the Library. Lean is a method of identifying and reducing duplication and waste in work processes.

In April we launched our staff Ways of Working program which reinforces our values of innovation, collaboration, engagement, excellence and respect.

Staff wellbeing has been a priority for us in this pandemic year and we supported this with a monthly themed wellbeing calendar, weekly tips for health and wellbeing while working from home, and access to free confidential counselling through our Employee Assistance Program provider.

Digital innovation, supported by effective infrastructure and business tools, will continue to be a priority for us as we look to provide the best service possible to the people of Victoria during the uncertain pandemic period.

Professional development

Our staff participated in range of professional development opportunities throughout the year. Programs developed within the Library were designed to develop digital capability, build cultural and diversity awareness, build resilience, and enhance performance review discussions. All front of house staff participated in COVIDSafe protocol inductions prior to the building reopening. Staff achieved certifications in a range of disciplines during the year, including 23 achieving Graduate Certification in Competitive Systems (Lean), six achieving Prosci Change Management accreditation and 29 completing Mental Health First Aid certification.

Staff also attended conferences and training programs on a range of subjects including conservation, preservation, mount-making, dealing with cultural materials, resource description and access, and project management software, and many staff attended ALIA and VALA conference sessions. Secondments across the Library allowed staff to develop their cataloguing, curatorial and reference skills. Many staff took on new projects while working from home during the COVID-19 building closures, broadening their professional expertise, particularly in digital program delivery and improving collection accessibility.

Exhibitions curator, Jade Hadfield, was awarded a Gordon Darling Foundation travel grant to survey bi-cultural- and multicultural-focused cultural institutions in New Zealand and examine the nexus between presenting Indigenous and diverse community arts and immersive exhibitions practice.

Staff from across the Library spoke or presented papers at the History Council of NSW History Week Roundtable, A History of Now: Historical Responses to COVID-19; the International Congress on Medieval Studies; So You Want to Be a Librarian: The Paths, Possibilities, and the Pitfalls of Careers in LIS; and the Bibliographical Society of Australia and New Zealand. A senior librarian from our Victorian and Australian Collections team was a judge for the inaugural GradFoto2020, part of the Ballarat International Foto Biennale.

Several staff attended the Australian Digital Alliance Copyright Forum, which examined copyright issues in the time of COVID-19. And a number of staff attended the Museum Victoria lecture series, Collecting the Curve, to learn about how the Museum was approaching COVID-19-related collecting.

Support and sponsorship

We were pleased to welcome Alex Cartel and Helen Imber to the Foundation Council this year. Alex takes over from Maria Myers AC as the Council Chair. We are grateful to Maria for her years of leadership in the role and acknowledge the great contribution she has made in supporting the Library.

As with most aspects of our work this year, fundraising and donor events moved online as a result of COVID-19 closures and restrictions. In September we held an online fundraising event to support the acquisition of the Barry Jones autograph collection. Julian Burnside AO, QC joined the Hon. Dr Barry Jones AC in conversation to share stories about the extensive collection, which features 878 autographed documents and letters from iconic figures such as Isaac Newton, Napoleon, Winston Churchill, Queen Victoria and Albert Einstein.

An exclusive in-conversation online event on the art and life of 19th-century Victorian Aboriginal artist Tommy McRae was held for donors in October, with our CEO, Kate Torney in conversation with researcher Dr Hilary Jankelson. Funds raised through the event assisted in the conservation of McRae's work held in our collections.

‘It is a privilege to support the Library’s conservation of the fragile and precious drawings by Tommy McRae that record indigenous customs and the relationship between early European settlers and Aboriginal people.’

DR HILARY JANKELSON

We hosted our first post-closure onsite event for donors at the Library in March, welcoming back over 100 supporters to view the *Window on Collections: The Rural and Regional Photography Commission* display in the Victoria Gallery endowed by the John and Myriam Wylie Foundation.

In April we launched Focus on Country Victoria as our annual end-of-financial-year appeal, to raise funds to continue to document the devastating effects of drought, bushfire and COVID-19 on Victoria’s regional and rural communities and build on the

Rural and Regional Photography Commission project (see page 14). We are grateful for the enthusiastic and generous community support which enabled us to reach our fundraising target for the appeal.

Our Redmond Barry Society bequestors are special members of our supporter community and provide vital support for collection acquisitions, as well as conservation and preservation programs that help protect and share the treasures of the collection now and for future generations. This year we acknowledge the legacies of Wilma Farrow and Dr Christopher Baker.

We thank our longstanding and new members for their ongoing support and commitment:

Corporate Members 2020–21

ANZ Banking Group
Architectus
BHP
Deloitte
Deutsche Bank
GHD
Herbert Smith Freehills
Jenny Young Cost Lawyer
K&L Gates
La Trobe University
Maxxia
Monash College
Newcrest Mining
Obst Legal
Qantm IP
RMIT University
Showtime Event Group
Tanarra
The Catalyst Network
Schwartz Media
The University of Melbourne
WSP

Donors and sponsors

State Library Victoria also gratefully acknowledges the generous support of the following individuals, families and organisations:

Donors

\$100,000+

The Christine Christian Foundation
The Hansen Little Foundation
The John and Miriam Wylie Foundation
Maria Myers AC & Allan Myers AC, QC
Estate of Dr Christopher Baker
Anonymous (1)

\$25,000+

Beverley Wood
Helen Sykes

Hugh and Selina Williams Foundation
Jan McDonald
Karen Wood and Alex Sloan
Krystyna Campbell-Pretty AM
Meg Paul
Robin Campbell
Anonymous (1)

\$10,000+

Alex and Mel Cartel
Andrew Sisson AO
Anita and Graham Anderson
Michael Nossal and Jo Porter
Robert and Josephine Shanks
Estate of William George Alma
Anonymous (1)

\$5000+

Anne Colman and Peter Colman AC
Ballandry (Peter Griffin Family) Fund, sub-fund of Australian Communities Foundation
Chris Arnold AM and Margot Costanzo
Dennoch Fund, sub-fund of Australian Communities Foundation
Gwenda Mary Thomas
Helen Freeman
Janet Torney
Lewin Family Foundation
Rick Amor and Meg Williams
Terry and Margaret Sawyer

\$1000+

Annemarie Hunt OAM
Baillieu Myer AC
Bob Ross
Caroline and Robert Clemente
Carrillo Gantner AC
Cheri Ong and William Lye OAM, QC
Christine Bell
Claire Hopkins
Ching Ching Yeoh
Emerson Sullivan Fund
Geoffrey Thomlinson
Helen Imber
Hilary and Mark Jankelson
Howard Brown
Ian Renard
Irene Kearsey and Michael Ridley
James and Anne Syme
James and Gail Butler
John Harrison
Julie-Ann Cox AM and Laurie Cox AO
Lovell Chen Pty Ltd
Laura Lewis
Louise Gourlay OAM
Margaret Plant
Rev. Fr Michael Elligate

Nigel and Sheena Broughton
 Noel Turnbull
 Paul and Samantha Cross
 Paul Schneider
 Peter Griffin and Terry Swann
 Peter and Margaret Lothian
 Philippe Batters
 Phillip Schudmak
 Ralph Renard
 Sally and John Bourne
 Sharon Rowell
 Stephen John Avery
 Terry Sawyer
 Terry Henderson
 Tony Wheeler AO
 Wallace Kirsop
 Estate of Wilma Farrow
 Anonymous (1)

\$500

Alison Hazeldine
 Anne Kelso
 Barry Cheney
 Bruce Miller
 Carole Lander
 Cathrine Harboe-Ree
 Cecilia Myers
 Cecily Edith Close
 David Byrne
 David Copolov
 David Klempfner
 Frank and Mary Schooneveldt
 Gary Edwards OAM
 Glenn Cumming
 Ian and Margaret McKellar
 Ian Haywood
 Ian McKenzie
 Ian Ross
 Janet Whiting AM
 Jeffrey Appleton
 Jill and Harry Williams

John Arnold
 John Drury OAM and Dianne Reilly AM
 John Funder and Val Diamond
 John Rikard
 John Rosenbloom
 Judith Kinnear
 Karen Chester
 Kate Torney
 Katharine Derham-Moore
 Margaret Webster
 Marie Newton
 Mas Generis
 Nicholas Callinan AM and Libby Callinan
 Niki Calastas
 Ormond McLeod
 Peter Sherlock
 Petra Cox
 Robert Laird
 RJ Lowe
 Rodd Levy
 Rosemary Earp
 Sam Richardson
 Stephen Hawke
 Stuart Murdoch
 Susan McCarthy
 Virginia Stevenson
 Zara M Kimpton OAM

Trusts and Foundations

Bowness Family Foundation
 Gandel Philanthropy
 Gordon Darling Foundation
 Marquill Foundation
 Permsew Foundation
 Serp Hills Foundation
 Sirius Foundation
 The JTM Foundation
 The Percy Baxter Charitable Foundation
 The Pratt Foundation
 The Stuart Leslie Trust
 Vera Moore Foundation

Partners



Financial summary

Summary of financial results with five-year comparatives

	2021 \$'000	2020 \$'000	2019 \$'000	2018 \$'000	2017 \$'000
Revenue from government	95,418	87,192	84,472	81,324	81,081
Other revenue	8,928	12,733	18,765	21,188	19,886
TOTAL REVENUE	104,346	99,924	103,237	102,512	100,967
TOTAL EXPENSES (excluding depreciation)	(91,912)	(89,453)	(91,535)	(89,596)	(86,082)
NET RESULT FOR THE YEAR BEFORE DEPRECIATION	12,434	10,472	11,702	12,916	14,885
DEPRECIATION	(18,749)	(14,510)	(13,794)	(13,056)	(13,654)
TOTAL EXPENSES	(110,661)	(103,963)	(105,329)	(102,652)	(99,736)
NET RESULT FOR THE YEAR AFTER DEPRECIATION	(6,315)	(4,038)	(2,092)	(140)	1,231
CASH FLOW FROM OPERATING ACTIVITIES	9,915	10,980	9,396	7,728	13,752
TOTAL ASSETS	1,111,528	960,055	961,778	931,808	891,857
TOTAL LIABILITIES	14,982	14,140	12,251	12,323	12,609

Notes

Revenue from government includes \$35.261m in operating funding, \$43.359m of capital assets charge, \$13.198m in COVID-19 support payments and \$3.5m of other grants.

Other revenue includes revenues from commercial, donations, bequests, investment and other external sources.

Total expenses include \$43.359m of capital assets charge and expenses from transactions.

The above summary should be read in conjunction with the accompanying financial statements.

FINANCIAL SUMMARY (Cont'd)

Current year financial review

- The Library Board of Victoria achieved a net result after depreciation for 2020–21 of \$6.315m deficit compared to \$4.083m deficit for 2019–20.
- The Library Board of Victoria achieved a net result before depreciation for 2020–21 of \$12.434m surplus compared to \$10.472m surplus for 2019–20.
- Net assets have increased by \$150.630m, primarily as a result of the revaluation of PPE and cultural assets, cash and cash equivalents and improved performance of investments.
- Total liabilities increased by \$0.843m to \$14.982m, mainly due to unearned COVID-19 support funding received for FY22, in late June.

Factors contributing to the net result are outlined below.

- Total revenue has increased by \$4.422m to \$104.346m and has been affected by the following items:
 - operating funding from government increased by \$8.226m to \$95.418m as a result of COVID-19 support payments
 - donations include philanthropic donations received for the Vision 2020 redevelopment project reduced by \$1.249m to \$1.875m due to the impact of the COVID-19 pandemic and the completion of the redevelopment project last financial year (\$3.124m in 2019–20)
 - donations related to Library collection increased in 2020–21, valued at \$2.581m (\$1.328m in 2019–20)
 - bequests of \$11k were received in 2020–21 (\$777k in 2019–20).

2020–21 Key performance indicators

The Library's 2020–21 planning framework was designed to achieve outcomes articulated in the *Strategic Plan 2020–24*.

Description	Unit of measure	Actual 2016–17	Actual 2017–18	Actual 2018–19	Actual 2019–20	Target 2020–21	Actual 2020–21
Unique online visitors from regional Victoria ¹	Number	37,406	37,225	44,720	44,576	50,000	41,607
Indigenous research queries ²	Number	New measure				60	113
Media value ³	\$	\$27.7m	\$30.7m	\$46.9m	\$43.5m	\$36.0m	\$22.3m
Net Promoter Score (NPS) ⁴	Number	+54	+52	+58	+67	+64	+69
Participants who learnt or created ⁵	%	New measure				75%	89%
Paid membership ⁶	Number	1,061	858	931	739	1,000	763
Electronic acquisitions ⁷	Number	4,085	6,408	4,318	4,929	5,400	9,485
Items made more discoverable ⁸	Number	New measure				103,000	130,437
Items with digital elements ⁹	Number	New Measure		630,000	640,085	670,000	665,461

Notes

- 1 The number of online users originating from regional Victorian centres as identified by Google Analytics. This includes visitors using the main website, catalogue, research guides, and digital collection via Digitool and Rosetta. Regional centres are defined as municipal councils in the Regional Infrastructure Development Fund Act 1999. Despite a slight drop in the number of unique regional users, overall online traffic was strong for 2020–21 with almost 5.3 million user sessions.
- 2 The number of queries that are directly or indirectly supported by the Victorian Indigenous Research Centre (VIRC), including cultural permissions or general reference inquiries that relate to indigenous content.
- 3 Media value is determined by the Library's external media monitoring provider. Despite closure for a large part of the year and a reduction in programs and activation, the Library secured a media value of \$22,294,215.
- 4 Net Promoter Score (NPS) methodology measures a visitor's willingness to recommend the Library measured on a 10-point scale. The % of those rating 0–6 willingness to recommend (detractors) is subtracted from those rating 9 or 10. Those rating 7 and 8 don't contribute to the result. The Library's 2020–21 NPS result is based on a sample of onsite visitors captured between January and June 2021. The Library has scored a consistently high NPS since the conclusion of the Vision 2020 building redevelopment, indicating a positive community response to the project.
- 5 The Library strives to deliver impactful experiences for its visitors. 89% of program participant survey respondents indicated that they perceived a level of inspiration, learning or creativity from a Library program. Programs can be delivered onsite, offsite and online.
- 6 The total number of personal memberships across all paid categories. One individual can hold more than one membership.
- 7 Total number of electronic collection items (or units) acquired within the financial year including ebooks and born digital. This measure excludes licensed databases.
- 8 Items made more discoverable includes the number of new or improved records created in the Library's Archival Management System or Integrated Library Management System as well as the number of items that have been preserved and conserved.
- 9 Number of items (or units) in the collection with a digitised element that are publicly accessible at 30 June. A digitised element could be an image or scan of the item, but may also include multiple images, film or a sound clip.

Creative Industries portfolio service agreement

The Creative Industries portfolio service agreement establishes a range of performance indicators under the Creative Industries portfolio performance framework including Budget Paper 3 and Creative State deliverables.

2020-21 Budget Paper 3 (BP3) performance indicators

Description	Unit of measure	Actual 2017-18	Actual 2018-19	Actual 2019-20	Target 2020-21	Actual 2020-21
Agency website visitation ¹	Number	4,483,662	4,906,174	5,370,382	5,300,000	5,296,096
Users/attendances at all agencies ²	Number	1,937,643	1,891,093	1,654,715	2,250,000	410,259
Members and friends of agencies ³	Number	858	931	739	1,000	763
Volunteer hours ⁴	Number	9,280	12,324	7,938	10,000	2,766
Students participating in agency education ⁵	Number	22,208	19,763	14,878	14,500	7,454
Agency collections storage meeting industry standards ⁶	%	97%	97%	95%	99%	95%
Visitors satisfied with visit ⁷	%	90%	92%	93%	90%	96%

Notes

- 1 Online visitation to the Library's websites achieved target with almost 5.3 million user sessions for the year. Access to information databases that are not usually accessible remotely contributed to performance.
- 2 Visitation was impacted by the Library's building closures in response to COVID-19.
- 3 The Library launched a new memberships offer in March 2021. Take-up of the new offer was impacted by the Library building closures due to COVID-19.
- 4 72 volunteers contributed 2695 hours to making corrections to records in Trove (a collaborative online library database managed through the National Library of Australia). Volunteer hours, including tour and greeter shifts, were impacted by the building closures due to COVID-19.
- 5 The Library's building closures impacted the ability to deliver onsite programs for students. The Library continues to engage with schools by offering remote programs and workshops.
- 6 The Library's collection storage met industry standards across the majority of its onsite and offsite collection stores.
- 7 Visitor satisfaction was driven by an increase in satisfaction in key areas of cleanliness, staff approachability and staff availability.

CREATIVE INDUSTRIES PORTFOLIO SERVICE AGREEMENT (Cont'd)

Creative Industries portfolio performance indicators 2020-21

Description	Unit of measure	Target 2020-21	Actual 2020-21
Community connection / inclusion			
Total number of volunteers ¹	Number	250	103
Programming activities			
Number of events ²	Number	600	411
New exhibitions on site (permanent or temporary)	Number	2	2
Exhibition attendance ³	Number	145,000	33,386
Sector engagement			
Loans to other organisations from the collection ⁴	Number	40	672
Regional venues in receipt of touring programs / exhibitions ⁵	Number	0	2
Collections and infrastructure			
Collection electronically registered	Number	4,150,000	4,132,669
Newly acquired collection electronically registered ⁶	Number	70,000	35,394
Collection on public display	Number	191,300	191,889
Collection publicly accessible online	Number	3,820,000	3,718,588
Collection publicly accessible online with digitised elements	Number	670,000	665,461
All facility safety audits conducted	Yes/No	Yes	Yes
Cultural facilities maintenance fund projects delivered within agreed timeframes	%	100%	100%

Notes

- 1 The number of volunteers has been impacted by the Library building closures over the year due to COVID-19.
- 2 The number of events was impacted by building closures and crowd caps over the year in response to COVID-19.
- 3 Exhibition visitation has been impacted by building closures over the year due to COVID-19.
- 4 Above-target performance has been driven by demand for interlibrary loans that were not anticipated.
- 5 The Library was given the opportunity to deliver two collection-based workshops in regional areas.
- 6 The newly acquired collection electronically registered number has been impacted by limited onsite access due to COVID-19 building closures over the year.

Acquisitions statistics

Volumes added to stock July 2020 – June 2021

	Method of acquisition				Total 2020-21	Total 2019-20
	Purchase	Donation	Govt donation	Legal deposit		
Physical volumes/items						
Monographs	2,381	2,974	379	2,700	8,434	15,197
Other serials	708	60	193	624	1,585	3,208
Newspapers	50	46		354	450	417
Sheet maps	31	359	29	5	424	398
Non-book sound recordings	194	271		12	477	1,880
Non-book video recordings		28		21	49	80
Non-book kits, CDs and other			1		1	10
Pictures	7,073	7,482			14,555	26,369
Exhibition catalogues (AAA)					0	0
TOTAL PHYSICAL VOLUMES/ITEMS	10,437	11,220	602	3,716	25,975	47,559
Electronic items						
PANDORA (Victorian websites)			1,075	713	1,788	1,629
Ebooks (purchased titles)	3,106				3,106	1,310
Born digital serials (titles) (NED)				335	335	75
Born digital monographs (titles) (NED)				4,164	4,164	1,914
Born digital heritage – Pictures	672	10			682	0
Born digital heritage – Manuscripts		1			1	0
Electronic collections (purchased)	27				27	0
TOTAL ELECTRONIC ITEMS	3,805	11	1,075	5,212	10,103	4,928
TOTAL PHYSICAL AND ELECTRONIC ITEMS	14,242	11,231	1,677	8,928	36,078	52,487
Additions recorded as linear metres						
Theatre programmes (linear metres)					0	0.83
Riley ephemera (linear metres)					0	0.18
Manuscripts (linear metres)					70.59	103.34

ACQUISITIONS STATISTICS (Cont'd)

Consolidated physical stock holdings 2019-21

Stock holdings (volumes)	30 June 2019	30 June 2020	30 June 2021
Monographs and serials	2,299,289	2,317,694	2,327,714
Newspapers	111,655	112,072	112,522
SUBTOTAL	2,410,944	2,429,766	2,440,236
Pictures	1,212,619	1,238,988	1,253,543
Maps	115,277	115,675	116,099
Sound recordings	66,513	68,393	68,870
Video recordings	6,695	6,775	6,824
Exhibition catalogues (AAA)	181,524	181,524	181,524
Theatre programmes (linear metres)	105.17	106.00	106.00
Riley Ephemera (linear metres)	95.16	95.34	95.34
Manuscripts (linear metres)	8,321.00	8,425.00	8,495.28
TOTAL	3,993,572	4,041,121	4,067,096

Consolidated electronic holdings 2019-21

	30 June 2019	30 June 2020	30 June 2021
PANDORA (Victorian websites)	18,135	19,764	21,552
Ebooks (purchased titles)	18,195	19,505	22,611
Born digital serials (titles) (NED)	290	366	6,738
Born digital monographs (titles) (NED)	944	2,858	13,881
Born digital heritage – Pictures	0	0	682
Born digital heritage – Manuscripts	0	0	1
Electronic collections (purchased)	81	81	108
TOTAL	37,645	42,574	65,573
COMBINED TOTAL (PHYSICAL & ELECTRONIC)	4,031,217	4,083,695	4,132,669

ACQUISITIONS STATISTICS (Cont'd)

Consolidated ecollections 2019-21

	30 June 2019	30 June 2020	30 June 2021
Ecollections (purchased)	81	81	108
Ecollection (internal component titles)	434,607	439,161	582,559

Notes

Due to COVID-19 disruption and building closures there were less physical items added to the collection.

Ephemera collections (AAA, Riley & Theatre programmes) were not accessible during the COVID-19 building closure so no items were added.

PANDORA is an archive of Victorian digital publications and websites gathered from the internet.

Ebook numbers increased 2020-21 to provide remote access for Victorian registered users.

Born digital serial and monograph (National edeposit) holdings include one-off migration of content from Digitool to NED of 6859 monographs and 6037 serials plus the newly acquired born-digital publications into NED.

Ecollections represent themed or single-format collections purchased by the Library.

Ecollections are made up of monographs and serials discoverable via the catalogue, but are not included in overall stock holdings.

Stock holdings do not include eresource subscriptions.

Library Board and governance

State Library Victoria sits within the Creative Industries Portfolio and is overseen by Creative Victoria, part of the Department of Jobs, Precincts and Regions. During the reporting period, the responsible Ministers were The Hon. Martin Foley MP, Minister for Creative Industries (1 July to 29 September 2020) and The Hon. Danny Pearson MP, Minister for Creative Industries (from 29 September 2020 to 30 June 2021).

The affairs of the Library are governed by the Library Board of Victoria. The Board is a statutory body established under Section 16 of the *Libraries Act 1988*.

The Library Board of Victoria governs the activities and operation of the Library and reports to the Victorian Minister for Creative Industries. Under the direction of the Board, the Chief Executive Officer manages the Library, including its collections, services, programs and responsibilities.

Functions of the Library Board of Victoria

The Functions of the Board are set out in Section 18 of the *Libraries Act*:

- 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.

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. Board members have business, educational, finance, humanities, information technology, legal and marketing backgrounds and skills.

Christine Christian AO, President
(appointed 25 May 2021)
Maria Myers AC, Deputy President
(appointed 16 June 2021)
Donata Carrazza
Adam Lewis
Maxine McKew
Cheri Ong
Hugh Williams
Karen Wood
John Wylie AM (end of appointment 23 May 2021)

About Board members

Christine Christian AO, President

Christine Christian AO was appointed to the Board in August 2013 and reappointed in May 2019. She was appointed the President of the Library Board of Victoria in May 2021. Christine is Chair of the Finance Committee, and a member of the Appointments and Remuneration Committee, and of the Foundation Council. Christine is the Chair of Auctus Investments Limited and Tanarra Credit Partners and holds non-executive director roles with Humm Group Limited (previously FlexiGroup), Credit Clear Limited, MaxCap Group and Lonsec. She serves on the boards of La Trobe University and Teach for Australia. Christine is past-president of Chief Executive Women and a former board member of ME Bank Limited, Kirwood Capital and the Victorian Managed Insurance Authority (VMIA). Previously, Christine was Chief Executive Officer of Dun & Bradstreet

LIBRARY BOARD AND GOVERNANCE (Cont'd)

Australia and New Zealand from 1997 to 2012. In 2006 she was appointed to the additional roles of Chair of D&B Consumer Credit Bureau and the D&B Worldwide Board, and in 2011 was appointed Executive Director of Dun & Bradstreet India. Christine was a board member and committee chair of UNICEF Australia, a member of the state government appointed TAFE Assessment Panel and the ASIC Business Advisory Council. She was the Founding Chair of the Business Information Industry Association – Hong Kong and Middle East, and Director until 2012.

Donata Carrazza

Donata Carrazza was appointed to the Board in May 2019 and is also a member of the Advisory Committee on Public Libraries. Donata is a graduate of Italian language and literature from the University of Melbourne and recently graduated in Professional Writing and Editing at RMIT University. Donata has more than 20 years' experience in the hospitality industry, notably at the Mildura Grand Hotel working with Stefano de Pieri. She is one of the founding members of the Mildura Writers Festival which celebrated 25 years in 2020. She has edited two books with New York poet and academic Paul Kane: *Vintage: a celebration of ten years of the Mildura Writers Festival* (2004) and *Letters to Les* (2005). Her writing has been published in *Australian Book Review*, *PEN Quarterly*, *Antipodes*, *The Big Issue* and *Imprint*.

Adam Lewis

Adam Lewis was appointed to the Board in May 2018 and reappointed in 2021. Adam served as a member of the Vision 2020 Redevelopment Project Steering Committee and is currently a member of the Audit and Risk Management Committee and the Appointments and Remuneration Committee. Adam is an alumnus of McKinsey & Company, where he spent 20 years as an advisor to major firms and governments around the world. He was a partner for 14 years, a managing partner for Australia and New Zealand for seven years, and a member of McKinsey's Asia council and global Senior Partner election committees. Since leaving McKinsey in 2010, Adam's roles have included Chair of Palette, Deliciou, Deep Blue Company and Southern Innovation, and Director of FIG Securities. Adam has previously been a Director of the Melbourne International Film Festival, a member of the Australia Council for the Arts, and an advisory board member of The Smith Family. He is also the former Chair of Aconex Pty Ltd and Message Media Limited. He holds a B.Eng (Hon.) from Curtin University and an MBA (Hon.) from the University of Illinois.

Maxine McKew

Maxine McKew was appointed to the Board in 2015, was reappointed in May 2018 and again in May 2021.

Maxine is Honorary Enterprise Professor in the Melbourne Graduate School of Education at the University of Melbourne. A published author, her books include *Class act*, a study of the key challenges in Australian schooling, and *Tales from the political trenches*. As a journalist, for many years Maxine was anchor of ABC TV's *7.30 report* and *Lateline*. Her work has been recognised by her peers with both Walkley and Logie awards. In 2007 Maxine made the switch to politics and defeated Prime Minister John Howard in the Sydney seat of Bennelong. In government she was Parliamentary Secretary for Early Childhood and later, for Infrastructure, Transport, Regional Development and Local Government. Maxine is a board member of New Energy Solar, an ASX listed company, and a member of the Australian Institute of Company Directors.

Maria Myers AC

Maria Myers AC was appointed to the Board in 2015 and reappointed in May 2018 and served as Chair of the Foundation Council for five years. She was previously a member of the State Library Victoria Foundation Executive Committee from 2002 to 2009, and one of the original Foundation Council members from 2013 to 2014. Maria is on the board of the Kimberley Foundation Australia and The Museum for Australian Democracy at Old Parliament House. She is a member of the St Mary's College Council at the University of Melbourne. Maria is also a member of the Nature Conservancy Australia Advisory Board.

Cheri Ong

Cheri Ong was appointed to the Library Board in May 2019. Cheri is a member of the Audit and Risk Management Committee, and Foundation Council. Cheri is the founder and Chair of the Asian Australian Foundation. She was a member of the governing council of International House, University of Melbourne, and the Chair of its Risk Committee. Cheri was previously a board member and Chair of the Finance, Audit and Risk Committee of Multicultural Arts Victoria. She was formerly Head of Regulation and Compliance at KPMG Australia and the Asia Pacific Chief Operating Officer for KPMG Risk Management. She has held various legal counsel roles at a number of financial institutions. Cheri has a Bachelor of Arts and Master of Law from Monash University, and is also a graduate of the Australian Institute of Company Directors.

Hugh Williams

Professor Hugh Williams was appointed to the Library Board in May 2019 and serves as a member of the Finance Committee. Hugh is an advisor, investor, and former technology executive. He advises investment firms Permira and Rampersand, and has advised technology companies including Doordash, Ocado, and Moonpig. He is the co-founder of CS in Schools,

LIBRARY BOARD AND GOVERNANCE (Cont'd)

a philanthropic organisation that is creating sustainable change in digital technology education in schools. He is also an Enterprise Professor at the Melbourne Business School and the University of Melbourne, and an Adjunct Professor at RMIT University. He was formerly a vice president at Google, where he led Google Maps, and he has also previously held senior roles at eBay and Microsoft. Hugh has a PhD in Computer Science from RMIT University.

Karen Wood

Karen Wood was appointed to the Board in May 2019 and has been a member of the Library's Foundation Council since 2016. Karen also serves as a member of the Audit and Risk Management Committee and the Appointments and Remuneration Committee. Karen is the chair of South 32 Limited and a non-executive director of Djerriwarrh Investments Limited. She serves on the board of the Robert Salzer Foundation. Until 2014 Karen was a member of the senior executive team at BHP and held a number of global roles in people and corporate affairs. She joined the company in 2001 as group company secretary. She served as chair of the BHP Foundation from 2015 until 2019. Karen was general counsel and company secretary at Bonlac Foods Limited before joining BHP. She served as a member of the Takeovers Panel from 2000 to 2012, was a member of the Committee and Vice President of the Melbourne Cricket Club from 2009 to 2021, a member of the Business Regulatory Advisory Group from 2005 to 2007, the ASIC Business Consultative Panel from 2006 to 2008 and the JD Advisory Board University of Melbourne from 2002 to 2005. She is a fellow of Monash University and a member of Chief Executive Women.

John Wylie AM (end of appointment 23 May 2021)

John Wylie AM was appointed President of the Library Board in May 2012, reappointed in May 2015 and May 2018, and served until May 2021. He chaired the Appointments and Remuneration Committee and was Chair of the Vision 2020 Redevelopment Project Steering Committee. John is principal of investment firm Tanarra Group. He was formerly CEO of financial services firm Lazard Australia, he co-founded advisory and investment firm Carnegie Wylie & Company, and was Chair of Investment Banking at Credit Suisse Australia. John is involved in a wide range of not-for-profit community activities. He is Chair of the Australian Sports Commission and Chair of Tanarra Philanthropic Advisors. Previous roles include serving as a trustee of the global Rhodes Scholarship Trust, Chair of the Melbourne Cricket Ground Trust, and board member and honorary treasurer of the Florey Neurosciences Institute. 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.

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.

Maxine McKew, Chair
 Donata Carrazza
 Christopher Buckingham, President of PLV and CEO, Casey Cardinia Libraries
 Michael Byrne, Manager Arts, Community Learning and Libraries, Maribyrnong City Council
 Melanie McCarten, Senior Coordinator, Darebin Libraries (appointed 17 October 2020)
 Leanne Williams, CEO of West Gippsland Regional Library Corp and PLV Vice President (appointed 25 May 2021)
 Angela Savage, CEO, PLV (observer from 25 May 2021)
 Kate Torney, CEO, State Library Victoria
 Harlinah Teoh, Director, Experience, State Library Victoria (appointed 23 February 2021)
 Patti Manolis AO, Chief Executive Officer, Geelong Regional Libraries (end of appointment 25 May 2021)
 Carolyn Long, Head of Visitor and Information Services, State Library Victoria (end of appointment 23 February 2021)

Audit and Risk Management Committee

The Audit and Risk Management Committee independently reviews and assesses the effectiveness of the systems and controls for financial management, performance and sustainability, including risk management, and ensures compliance with the *Financial Management Act 1994*. The Committee approves the internal audit provider and determines the internal audit program. All members serving on the Audit and Risk Management Committee listed below are independent members.

Anne Jackson, Chair, external member
 Adam Lewis
 Cheri Ong
 Karen Wood
 Clare Gibney, external member
 Michael Hill, external member

Appointments and Remuneration Committee

The Appointments and Remuneration Committee oversees the nominations process for recommending members for appointment to the Library Board of Victoria. The Committee ensures that the Library's policy and practice relating to executive remuneration and individual remuneration packages for executives are consistent with Victorian Government PEER policy.

LIBRARY BOARD AND GOVERNANCE (Cont'd)

The Committee reviews executive officer salaries, performance and bonuses, recruitment, appointments, and associated issues, when appropriate.

Christine Christian AO, Chair (appointed 16 June 2021)
Adam Lewis
Karen Wood
John Wylie AM (end of appointment 23 May 2021)

Finance Committee

The Finance Committee reviews the Library's financial performance and sustainability, by assessing all significant financial and commercial information before it is presented to the Library Board of Victoria, including investment objectives and strategy. The Committee seeks to confirm that Library management has processes in place to ensure that financial reports, budgets and forecasts of operations for which the Board is responsible are accurate, concise and timely.

Christine Christian AO, Chair
Hugh Williams
Anne Jackson, external member
Marina Kelman, external member
Glenn Mescher, external member

State Library Victoria Foundation Council

The objective of the Foundation Council is to support the Board in realising its strategic objective, particularly in its fundraising efforts on behalf of State Library Victoria through advice, advocacy and active engagement in the Library's fundraising program including by attracting donations, gifts and bequests and by honouring those who participate.

Alex Cartel, Chair (appointed Chair 4 December 2020, appointed member 18 August 2020)
Christine Christian AO
Maria Myers AC
Cheri Ong
Karen Wood
Dianne Reilly, external member
Helen Imber, external member (appointed 28 September 2020)
Peter Hay, external member (end of appointment 21 July 2020)
Jennifer Hutchison, external member (end of appointment 15 October 2020)

Library Executive

Kate Torney, as Chief Executive Officer, has overall responsibility for:

- ensuring the implementation of the Board's directions
- sound corporate governance
- managing the State Collection and the Library's operations.

Sarah Slade, Director, Enablers (from 16 September 2020) is responsible for the Library's corporate service functions, including:

- business and fiscal planning
- financial and corporate governance
- commercial activities and corporate partnerships
- infrastructure planning
- workforce strategy and planning
- policy and evaluation.

Previously Director, Project Management Office (from 1 July to 15 September 2020), Ms Slade's responsibilities as Director, Enablers continue to include the completion of Major Projects:

- Vision 2020
- BOSS2
- Building Blocks.

Harlinah Teoh, Director, Experience (from 16 November 2020) is responsible for the strategic development of library services and the customer experience, including:

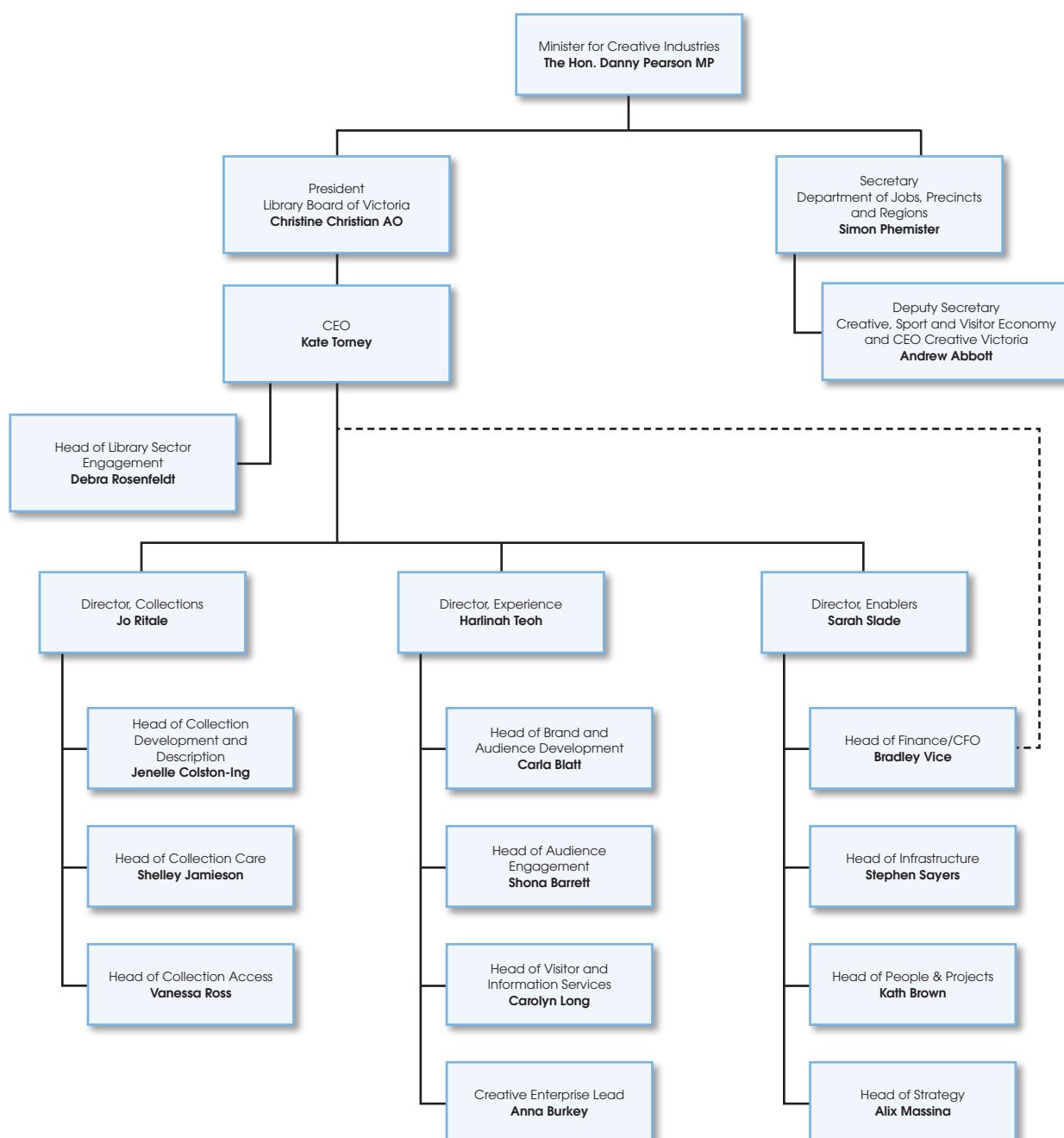
- visitor experience
- information and customer service
- digital experience
- brand and audience engagement
- membership and philanthropy
- exhibitions and programs.

Jo Ritale, Director, Collections is responsible for the development, description and preservation of the State Collection including:

- collection development and description
- collection preservation and conservation
- collection digitisation, storage, access and discovery.

During the reporting period Roly Clifton-Bligh was Director, Corporate Services from 1 July to 15 September 2020. Suzannah Marinkovic was Acting Director, Experience from 1 July 2020 to 15 November 2020.

Organisational structure (as at 30 June 2021)



Health, safety and wellbeing performance measures

The health, safety and wellbeing of our team members and visitors has been a key focus for the Library as we work through the challenges of the COVID-19 pandemic. The Library achieved recertification under the Australian and New Zealand Standard 4801:2001 in November 2020. We continue to provide support for employee health and wellbeing, including actively promoting our Employee Assistance Program. The Library supported staff with reimbursement of the cost of their annual influenza vaccinations. Wellbeing initiatives introduced to support staff through the COVID-19 pandemic and to support working from home, including monthly themed wellbeing calendars and weekly wellbeing advice and information, have continued. The Library supports working flexibly and has adopted a work-from-anywhere model for all employees.

Incident management

Incidents across the library decreased by 40.5 per cent in 2020–21, which is 45 fewer than the previous year. The majority of incidents (62 per cent) involved visitors; many of these incidents related to behaviour by visitors towards staff or other visitors. The closure of the Library building for significant periods due to the impacts of COVID-19 contributed significantly to the decrease in incident numbers.

HEALTH, SAFETY AND WELLBEING PERFORMANCE MEASURES (Cont'd)

Health, safety and wellbeing performance measures

Category	Measure	2018-19	2019-20	2020-21
Incidents	No. of incidents	160	111	66
	Rate per 100 FTE	56.2	38.3	23.5
Policy currency (review cycle 3 years)	OH&S Policy current	Yes	Yes	Yes
Provisional Improvement Notices (PINs)	No. of PINs issued by HSRs	0	0	0
	No. of identified issues actioned	N/A	N/A	N/A
HSR Training	% of HSRs trained	100%	100%	100%
Worksafe interactions	Notifiable incidents	2	0	0
	Notices received	0	0	0
	Visits (including as a result of notifiable incidents)	0	0	0
	% of identifiable issues actioned	-	-	-
WorkCover claims management	Number of standard* claims	1 (lodged 2017-18)	1 (lodged 2017-18)	0
	Rate per 100 FTE	0.28	0.30	0
	Number of lost time claims	0	0	0
	Rate per 100 FTE	0	0	0
	Number of claims exceeding 13 weeks	0	0	0
	Rate per 100 FTE	0	0	0
	Fatality claims	0	0	0
	Average cost per standard claim	\$1192 (lodged 2017-18)	\$1098 (lodged 2017-18)	0
	% claims with a RTW plan >30 days	0	0	0
Consultation and participation	Evidence of agreed structure of designated work groups (DWGs), health and safety representatives (HSRs), and issue resolution procedures (IRPs)	Completed	Completed	Completed
	Compliance with agreed structure on DWGs, HSRs and IPRs	Completed	Completed	Completed
	Number of OH&S Committee meetings	6	6	7

* A claim becomes standard when you pay 10 days' time loss or medical expenses reach \$707.

Public sector values and employment principles

Public sector values

During 2020–21, the Library complied with the *Public Administration Act 2004*. The Code of Conduct for Victorian Public Sector Employees, along with public sector values and employment principles guide our approach to our work. These are complemented by Library-specified values, as well as Ways of Working behavioural statements, introduced in 2021, which describe the way each employee can uphold our values.

Ensuring that all employees understand how they can work in line with the VPS Code of Conduct and the Library's values has been a focus in 2020–21. All employees completed Code of Conduct training at commencement of employment and this training is refreshed regularly. Employees are also required to complete regular online learning modules related to key policies and procedures, including equal opportunity, harassment and discrimination, child safety principles and our grievance process. The roll-out of Ways of Working included an education campaign, and its statements form part of performance frameworks and a newly launched employee recognition scheme.

Employment principles

The Library continues our commitment to fair and equitable employment decisions.

Our selection processes ensure that an applicant's competencies and capabilities are assessed fairly and equitably against the competencies and capabilities required to perform the role.

Experienced human resource professionals work with managers and supervisors to ensure that decisions impacting employees are in line with internal processes, policies and the broader Victorian public sector values and principles.

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

Statement of workforce data and merit and equity

The Library is committed to applying merit and equity principles when appointing staff. The selection process ensures that applicants are assessed and evaluated fairly and equitably on the basis of the key selection

criteria and other accountabilities without discrimination. Employees have been correctly classified in workforce data collections.

Workforce data

		June 2021							June 2020						
		All employees		Ongoing			Fixed-term and casual		All employees		Ongoing			Fixed-term and casual	
		Num-ber (head-count)	FTE	Full-time (head-count)	Part-time (head-count)	FTE	Num-ber (head-count)	FTE	Num-ber (head-count)	FTE	Full-time (head-count)	Part-time (head-count)	FTE	Num-ber (head-count)	FTE
All (non-Executive)		388	300.5	187	83	241.8	118	58.7	352	283.7	185	79	240.4	89	46.4
Demographic data	Gender														
	Male	143	111.9	76	24	93.3	43	18.6	135	107.2	72	26	91.2	37	16.0
	Female	244	188.2	111	58	148.1	75	40.1	223	182.4	114	53	148.6	56	33.8
	Self-described	1	0.4	–	1	0.4	–	–	1	0.4	–	1	0.4	–	–
	Age														
	15–24	10	3.3	1	0	1.0	9	2.3	11	3.5	0	0	0	11	3.5
	25–34	73	45.4	21	8	25.9	44	19.5	67	46.9	23	6	27.3	38	19.6
	35–44	119	98.4	56	27	73.5	36	24.9	97	82.1	52	20	65.2	23	14.9
	45–54	86	73.0	55	16	66.2	15	6.8	88	76.0	56	23	71.5	9	4.5
	55–64	66	55.5	42	15	51.4	9	4.1	65	56.9	43	16	53.2	6	4.3
65+	34	25.1	12	17	23.8	5	1.3	30	23.1	12	14	22.1	4	1.0	
Classification data	VPS 1–7														
	VPS 1	–	–	–	–	–	–	–	–	–	–	–	–	–	–
	VPS 2	104	56.0	23	32	42.5	49	13.6	110	62.5	24	32	44.7	54	17.8
	VPS 3	126	96.1	63	26	79.8	37	16.3	109	94.5	62	28	80.4	19	14.1
	VPS 4	76	69.6	43	15	53.8	18	15.8	61	56.8	42	11	50.1	8	6.7
	VPS 5	58	55.1	39	9	46.0	10	9.1	48	46.2	37	8	43.2	4	4.0
	VPS 6	22	21.8	17	1	17.8	4	4.0	24	23.8	20	0	20.0	4	3.8
	VPS 7	2	2.0	2	0	2.0	0	0							
	Senior employees	4	4.0	4	0	4.0	0	0	5	5.0	2	0	2.0	3	3.0
	STS								2	2.0	2	0	2.0	0	0
Executives	4	4.0	4	0	4.0	0	0	3	3.0	0	0	0	3	3.0	
Total employees		392	304.5	191	83	245.8	118	58.7	357	288.7	187	79	242.4	92	49.4

STATEMENT OF WORKFORCE DATA AND MERIT AND EQUITY (Cont'd)

Reconciliation of executive officers

Table 1 Total number of EOs, by gender

Class	All		Male		Female	
	No.	Var.	No.	Var.	No.	Var.
SES1	3	0	0	0	3	0
SES2	1	0	0	0	1	0
SES3	0	0	0	0	0	0
TOTAL	4	0	0	0	4	0

Table 2 Reconciliation of executive numbers

		2021	2020
	Executives (Financial Statement Note 8.4)	3	2
	Accountable Officer (CEO)	1	1
Less	Separations	0	0
	Total executive numbers at 30 June	4	3

Table 3 Annualised total salary, by \$20,000 bands, for executives and other senior non-executive staff

Income band (salary)	Executives	STS	PS	SMA	SRA	Other
< \$160,000						
\$160,000 – \$179,999						
\$180,000 – \$199,999						
\$200,000 – \$219,999	1					
\$220,000 – \$239,999	1					
\$240,000 – \$259,999	1					
\$260,000 – \$279,999						
\$280,000 – \$299,999						
\$300,000 – \$319,999						
\$320,000 – \$339,999						
\$340,000 – \$359,999						
\$360,000 – \$379,999						
\$380,000 – \$399,999	1					
\$400,000 – \$419,999						
\$420,000 – \$439,999						
\$440,000 – \$459,999						
\$460,000 – \$479,999						
\$480,000 – \$499,999						
TOTAL	4	0	0	0	0	0

Asset Management Accountability Framework maturity assessment

The following sections summarise State Library Victoria's assessment of maturity against the requirements of the Asset Management Accountability Framework (AMAF). The AMAF is a non-prescriptive, devolved accountability model of asset management that requires compliance with 41 mandatory requirements. The Library's target maturity rating is 'competence', meaning systems and processes are fully in place, consistently applied and systematically meeting the AMAF requirement, including a continuous improvement process to expand system performance above AMAF minimum requirements.

Leadership and accountability (requirements 1–19)
The Library has met its target maturity level in this category.

Planning (requirements 20–23)

The Library has met its target maturity level in this category.

Acquisition (requirements 24 and 25)

The Library has met its target maturity level in this category.

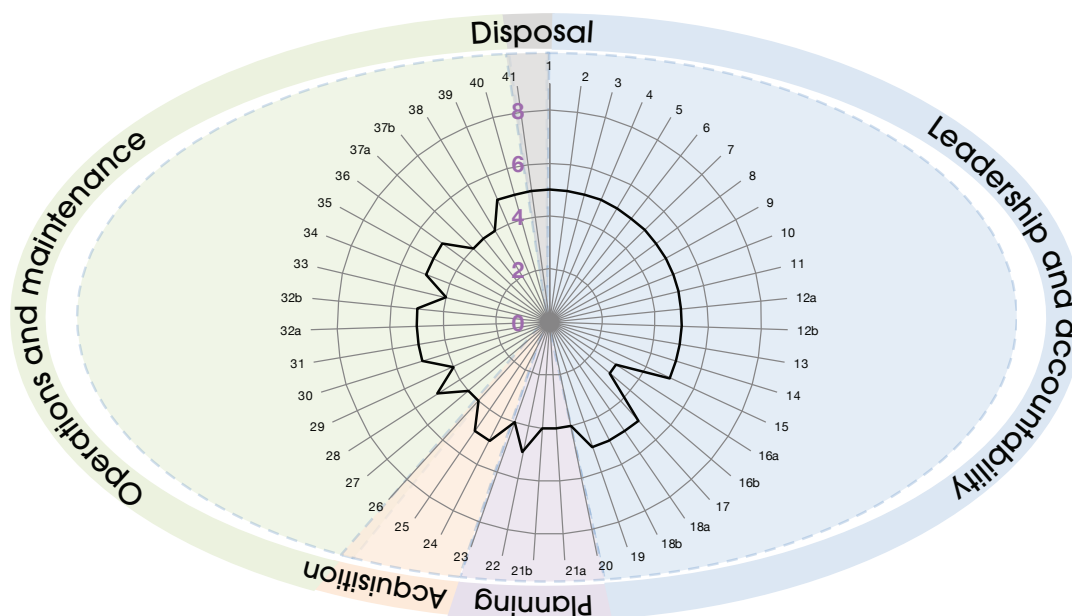
Operation (requirements 26–40)

The Library has met its target maturity level in this category.

Disposal (requirement 41)

The Library has met its target maturity level in this category.

Asset management maturity status



No understanding – 1
Innocent – 2
Developing – 3

Applying – 4
Competent – 5
Leader – 6

Convolved – 7
Over engineered – 8
Not applicable – 9

Environmental performance

Energy		2020-21		
Indicator	Electricity	Natural gas	Green power	Total
Total energy usage segmented by primary source (MJ)	16,079,151	12,742,761	5,359,717	34,181,629
Greenhouse gas emissions associated with energy use, segmented by primary source and offsets tonnes (CO ₂ e)	5,431	687		6,118
Percentage of electricity purchased as green power	25			25
Units of energy used per FTE (MJ/FTE)	112,071			112,071
Units of energy used per unit of office area (MJ/m ²)	496			496
Waste				
Indicator	Landfill	Com-mingled recycling		Total
Total units of waste disposed of by destination (kg/yr)	21,429	19,436		40,865
Units of waste disposed of per FTE by destinations (kg/FTE)	70	64		134
Recycling rate (percentage of total waste)		45		45
Greenhouse gas emissions associated with waste disposal (CO ₂ e)	28	8		36
Paper	Total			
Total units of copy paper used (reams)	457			
Units of copy paper used per FTE (reams/FTE)	1.5			
Percentage of 100% recycled content copy paper	100			
Water	Total			
Total units of metered water consumed by usage types (kilolitres)	12,754			
Units of metered water consumed in offices per FTE (kilolitres/FTE)	42			
Units of metered water consumed in offices per unit of office area	0.19			
Greenhouse gas emissions	Total			
Total greenhouse gas emissions associated with energy use (CO ₂ e)	6,118			
Total greenhouse gas emissions associated with vehicle fleet (CO ₂ e)	2.1			
Total greenhouse gas emissions associated with waste production (CO ₂ e)	36			

Notes

The Library consumes energy for a number of different uses including office facilities, commercial operations and construction activities.

Electricity and gas consumption has been slightly lower during the year, and COVID-19 building closures resulted in a significant decrease in water consumption at the Library.

ENVIRONMENTAL PERFORMANCE (Cont'd)

2019-20				2018-19			
Electricity	Natural gas	Green power	Total	Electricity	Natural gas	Green power	Total
18,765,275	13,014,163	6,255,091	38,034,529	22,363,547	17,687,260	5,591	40,056,398
7312	775		8,087	5,591	1,069		6,660
25			25	25			25
131,607			131,607	143,059			143,059
552			552	324			324
Landfill	Com-mingled recycling		Total	Landfill	Com-mingled recycling		Total
32,030	15,460		47,490	24,284	17,967		42,254
111	53		164	87	64		151
	52		52		43		43
21	23		44	24	18		42
Total				Total			
1,735				1,790			
6				6			
100				100			
Total				Total			
21,206				33,692			
73				120			
0.31				0.49			
Total				Total			
8,087				5,591			
5.5				3			
44				42			
sqm Melb & Ballarat				50,000			
sqm BOSS 1				9,461			
sqm BOSS 2				9,461			
Staff FTE				289			

Freedom of information

The Library embraces the objectives of the *Freedom of Information Act 1982*. Its purpose is to allow the community the right to request access to information held by government departments, local councils, Ministers and other bodies subject to the Act.

An applicant has a right to apply for access to documents held by the Library. This may include maps, films, microfiche, photographs, computer printouts, computer discs, tape recordings and videotapes. Information about the type of material produced by the Library can be found on the website: www.slv.vic.gov.au/about-us/policies-guidelines/general/freedom-information-statement.

The Act allows the Library to refuse access, either fully or partially, to certain documents or portions of them including, for example, where they are cabinet documents, internal working documents that may reveal confidential decision making not publicly available, law enforcement documents, documents covered by legal professional privilege (such as legal advice), and documents that contain personal information about other people or contain information provided in confidence.

Requests processed

Within the year ending 30 June 2021 the Library did not receive any requests for documents under the Act.

Making a request

An application for access to documents under the Freedom of Information Act can be made in writing to the Freedom of Information Officer.

Email

governance@slv.vic.gov.au

Address

Freedom of Information Officer
State Library Victoria
328 Swanston Street
Melbourne VIC 3000

Depending on the nature and complexity of your request, you may be required to pay an application fee and additional charges for searching, retrieving and copying documents.

You can find further information on the operation of the Freedom of Information Act at <https://ovic.vic.gov.au/freedom-of-information/for-the-public>.

Categories of documents

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

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

Availability of additional information

The following information can be requested by seeking access to documents. There is not a right of access, but there is a right to make a request. All applications are assessed in line with community-focused principles of the Act.

- 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

FREEDOM OF INFORMATION (Cont'd)

- 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, and the purposes of each committee
- details of all consultancies and contractors including consultants/contractors engaged, services provided, and expenditure committed to for each engagement.

Literature available by subscription or mailing lists

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

- SLV enews
- Education enews
- Memberships enews
- StartSpace enews
- Venue hire enews
- *The La Trobe Journal*.

Public Interest Disclosures Act 2012

The *Public Interest Disclosures Act 2012* encourages and assists people in making disclosures of improper conduct by public officers and public bodies. The Act provides protection to people who make disclosures in accordance with the Act and establishes a system for the matters disclosed to be investigated and rectifying action to be taken.

The Library is committed to the objectives of the Act. In particular, the Library does not tolerate improper conduct by its staff and will take all reasonable steps to protect people who make such disclosures from any detrimental action in reprisal for making the disclosure. It will also afford natural justice to the person who is the subject of the disclosure to the extent it is legally possible.

Compliance with the *Public Interest Disclosures Act 2012*

Procedures outlining the system for reporting disclosures of improper conduct or detrimental action by the Library or any of its employees and/or officers are available on the Library's website.

Disclosures can be made directly to the Independent Broad-based Anti-corruption Commission:

Level 1, North Tower
459 Collins Street
Melbourne VIC 3000
Phone 1300 735 135

Further information about making disclosures to the IBAC can be found at www.ibac.vic.gov.au.

Compliance with the Building Act 1993

The Library is compliant with the National Construction Code of Australia and with the relevant Australian standards for all buildings and building works. Essential services and building maintenance requirements are maintained in accordance with the National Construction Code and the relevant Australian standards specific to each discipline: mechanical, fire, electrical, lifts.

There were no major infrastructure projects completed during the period.

There were no emergency orders or building orders received by the Library in relation to buildings during the period.

Throughout 2020–21 there were no certificates issued relating to Library-owned buildings, and the Library issued the following permits:

- Building permits – 1
- Occupancy permits – 1

There were no Library buildings brought into conformity with building standards during the reporting period.

Local Jobs First

The *Local Jobs First Act 2003* introduced in August 2018 brings together the Victorian Industry Participation Policy (VIPP) and Major Project Skills Guarantee (MPSG) policy which were previously administered separately.

The Library is required to apply the Local Jobs First policy in all projects valued at \$3 million or more in

Metropolitan Melbourne or for statewide projects, or \$1 million or more for projects in regional Victoria. MPSG applies to all construction projects valued at \$20 million or more.

During 2020–21, there were no activities that triggered the application of either policy.

Competitive Neutrality Policy

The Library continues to fulfil its requirements on competitive neutrality.

The Library follows its Pricing (fees and charges) Policy to ensure that products, fees and charges identified as profitable are assessed according to the Government Competitive Neutrality Policy.

Government advertising expenditure

There were no advertising campaigns with a media spend of \$100,000 or greater.

Major contracts

There were no major contracts in excess of \$10 million at the Library. Details of contracts that have been disclosed in the Victorian Government contracts publishing system can be viewed at www.procurement.vic.gov.au.

Consultancies

Details of consultancies under \$10,000

In 2020–21 there were six consultancies where the total fees payable to the consultants were less than \$10,000. The total amount spent on these consultancies was \$28,320 (ex. GST).

Details of consultancies over \$10,000

In 2020–21, there were ten consultancies where the total fees payable to the consultants were \$10,000 or more. The total expenditure incurred during 2020–21 in relation to these consultancies was \$523,477 (ex. GST).

Consultancies over \$10,000

Consultant	Details	Start date	End date	Total approved fee (ex. GST) \$	Expenditure in 2020–21 (ex. GST) \$	Future expenditure (ex. GST) \$
SPARK STRATEGY	Strategic Framework development	9/06/2020	1/03/2021	131,461	125,336	-
UPTON MARTIN CONSULTING	Public Libraries Capability Project	15/02/2021	31/12/2021	86,029	86,029	-
BECK HENSHALL COLLABORATIONS PTY LTD	Public Libraries Capability Project	11/12/2020	30/06/2021	63,500	69,500	-
PETER TULLIN	Creative Sector Engagement and Digital & Technology Roadmap	4/03/2021	30/06/2022	119,000	66,500	52,500
CPR COMMUNICATIONS & PUBLIC RELATIONS PTY LTD	Public Libraries Advocacy Project	1/07/2017	30/06/2021	462,929	56,737	-
DELOITTE TOUCHE TOHMATSU	Analysis of economic and social value	1/12/2020	31/12/2021	49,400	49,400	-
OUTRIDER TECHNOLOGY CONSULTING	Digital & Technology Roadmap	2/06/2021	30/06/2022	90,000	22,500	67,500
PRINCIPLED WORKPLACE CONSULTING PTY LTD	Policy Framework Project	8/03/2021	21/05/2021	21,883	21,883	-
I&J MANAGEMENT SERVICES	Public Libraries Advocacy Project	16/12/2020	30/06/2021	14,859	14,859	-
AMPLIFY FUNDRAISING	Philanthropic Roadmap	25/06/2021	30/09/2021	35,775	10,733	25,042
TOTAL				1,074,836	523,477	145,042

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 2021 that will have an impact on the 2020-21 reporting period.

Library Board of Victoria financial report for the financial year ended 30 June 2021

The Library Board of Victoria has pleasure in presenting its audited general purpose financial statements for the financial year ended 30 June 2021 and providing users with the information about the Library Board of Victoria's stewardship of resources entrusted to it. It is presented in the following structure:

FINANCIAL STATEMENTS	Page
Comprehensive operating statement	64
Balance sheet	65
Cash flow statement	66
Statement of changes in equity	67
 NOTES TO THE FINANCIAL STATEMENTS	
Note 1 About this report The basis on which the financial statements have been prepared and compliance with reporting regulations	68
Note 2 Funding delivery of our services Revenue recognised in respect of appropriations and other income sources	70
Note 3 The cost of delivering our services Expenditure of State Library Victoria	74
Note 4 Key assets available to support output delivery Property, plant and equipment, cultural assets, financial assets classified as available-for-sale	78
Note 5 Other assets and liabilities Working capital balances and other assets and liabilities	85
Note 6 How we financed our operations Bank and cash flow information	90
Note 7 Risks, contingencies and valuation judgements Financial risk management, contingent assets and liabilities as well as fair value determination	92
Note 8 Other disclosures	108

Financial management attestation



328 Swanston Street Tel: +61 3 8664 7000
Melbourne VIC 3000 ABN 73 190 237 854
Australia slv.vic.gov.au

Library Board of Victoria

Attestation for financial management compliance with Ministerial Standing Direction 5.1.4

I, Christine Christian AO, on behalf of the Library Board of Victoria, certify that State Library Victoria has no Material Compliance Deficiency with respect to the requirements in the *Financial Management Act 1994* and applicable Standing Directions and Instructions.

A handwritten signature in black ink, appearing to read "CC", positioned above a dotted line.

Christine Christian AO
President
22 September 2021

Library Board of Victoria letter



STATE LIBRARY
VICTORIA

328 Swanston Street
Melbourne VIC 3000
Australia

Tel: +61 3 8664 7000
ABN 73 190 237 854
slv.vic.gov.au

Library Board of Victoria

The attached financial statements for the Library Board of Victoria have been prepared in accordance with Direction 5.2 of the Standing Directions of the Assistant Treasurer under the *Financial Management Act 1994*, applicable Financial Reporting Directions, Australian Accounting Standards including interpretations, and other mandatory professional reporting requirements.

We further state that, in our opinion, the information set out in the comprehensive operating statement, balance sheet, statement of changes in equity, cash flow statement and accompanying notes, presents fairly the financial transactions during the year ended 30 June 2021 and financial position of the Library Board of Victoria at 30 June 2021.

At the time of signing, we are not aware of any circumstance which would render any particulars included in the financial statements to be misleading or inaccurate.

We authorise the attached financial statements for issue on 22 September 2021.

Christine Christian AO
President
22 September 2021

Anne Jackson
Chair, Audit and Risk Management Committee
22 September 2021

Sarah Slade
Acting Chief Executive Officer
22 September 2021

Bradley Vice
Chief Financial Officer
22 September 2021

Auditor-General's report



Independent Auditor's Report

To the Board of the Library Board of Victoria

Opinion	I have audited the financial report of the Library Board of Victoria (the entity) which comprises the: • balance sheet as at 30 June 2021 • comprehensive operating statement for the year then ended • statement of changes in equity for the year then ended • cash flow statement for the year then ended • notes to the financial statements, including significant accounting policies • Library Board of Victoria letter. In my opinion the financial report presents fairly, in all material respects, the financial position of the entity as at 30 June 2021 and its financial performance and cash flows for the year then ended in accordance with the financial reporting requirements of Part 7 of the <i>Financial Management Act 1994</i> and applicable Australian Accounting Standards.
Basis for Opinion	I have conducted my audit in accordance with the <i>Audit Act 1994</i> which incorporates the Australian Auditing Standards. I further describe my responsibilities under that Act and those standards in the <i>Auditor's Responsibilities for the Audit of the Financial Report</i> section of my report. My independence is established by the <i>Constitution Act 1975</i>. My staff and I are independent of the entity in accordance with the ethical requirements of the Accounting Professional and Ethical Standards Board's APES 110 <i>Code of Ethics for Professional Accountants</i> (the Code) that are relevant to my audit of the financial report in Victoria. My staff and I have also fulfilled our other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.
Board's responsibilities for the financial report	The Board of the entity is responsible for the preparation and fair presentation of the financial report in accordance with Australian Accounting Standards and the <i>Financial Management Act 1994</i>, and for such internal control as the Board determines is necessary to enable the preparation and fair presentation of a financial report that is free from material misstatement, whether due to fraud or error. In preparing the financial report, the Board is responsible for assessing the entity's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless it is inappropriate to do so.

**Auditor's
responsibilities
for the audit
of the financial
report**

As required by the *Audit Act 1994*, my responsibility is to express an opinion on the financial report based on the audit. My objectives for the audit are to obtain reasonable assurance about whether the financial report as a whole is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with the Australian Auditing Standards will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of this financial report.

As part of an audit in accordance with the Australian Auditing Standards, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- identify and assess the risks of material misstatement of the financial report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control
- evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board
- conclude on the appropriateness of the Board's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the entity's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial report or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the entity to cease to continue as a going concern.
- evaluate the overall presentation, structure and content of the financial report, including the disclosures, and whether the financial report represents the underlying transactions and events in a manner that achieves fair presentation.

I communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

MELBOURNE
1 October 2021



Simone Bohan
as delegate for the Auditor-General of Victoria

COMPREHENSIVE OPERATING STATEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

	Notes	2021 \$'000	2020 \$'000
Continuing operations			
Revenue and income from transactions			
State Government – recurrent appropriation	2.1	48,459	41,909
State Government – capital grants	2.1	-	-
State Government – capital asset charge grant	2.2	43,359	43,357
State Government – other grants	2.3	3,600	1,926
Other grants	2.3	1,318	3,719
Operating activities	2.4	460	897
Donations and bequests	2.5	5,664	6,607
Investment income	2.6	1,486	1,509
Total revenue and income from transactions		104,346	99,924
Expenses from transactions			
Employee expenses	3.1	32,990	32,613
Depreciation	4.1.1	18,749	14,510
Supplies and services	3.1	15,563	13,483
Capital asset charge	3.1	43,359	43,357
Total expenses from transactions		110,661	103,963
Net result from transactions (net operating balance)		(6,315)	(4,038)
Other economic flows included in net result			
Net gain/(loss) on non-financial assets	8.2	(1)	-
Net gain/(loss) on financial instruments	8.2	2,484	(852)
Other gains/(losses) from other economic flows	8.2	61	81
Total other economic flows included in net result		2,544	(771)
Net result from operations		(3,771)	(4,809)
Other economic flows – other comprehensive income:			
Items that will not be reclassified to net result			
Physical asset revaluation surplus	8.7.5	108,968	-
Cultural asset revaluation surplus	8.7.5	45,413	-
Total other economic flows – other comprehensive income		154,381	-
Comprehensive result		150,610	(4,809)

The above comprehensive operating statement should be read in conjunction with the accompanying notes.

BALANCE SHEET AS AT 30 JUNE 2021

	Notes	2021 \$'000	2020 \$'000
Assets			
Financial assets			
Cash and deposits	6.1	12,927	5,914
Receivables	5.1	2,368	1,858
Investments and other financial assets	4.3	23,417	20,933
Total financial assets		38,712	28,705
Non-financial assets			
Property, plant and equipment	4.1	622,109	528,173
Cultural assets	4.2	449,968	402,771
Prepayments and deferred expenditure	5.2	739	406
Total non-financial assets		1,072,816	931,351
Total assets		1,111,528	960,055
Liabilities			
Payables	5.3	6,499	5,241
Employee-related provisions	3.1.2	8,483	8,899
Total liabilities		14,982	14,140
Net assets		1,096,546	945,916
Equity			
Accumulated surplus/(deficit)	8.7.2	(37,551)	(27,376)
Donations and bequests reserve	8.7.3	11,734	10,936
Specific purpose grants reserve	8.7.4	6,462	856
Physical and cultural assets revaluation surplus	8.7.5	469,361	314,980
Contributed capital	8.7.1	646,541	646,521
Net worth		1,096,546	945,916

The above balance sheet should be read in conjunction with the accompanying notes.

CASH FLOW STATEMENT FOR THE FINANCIAL YEAR ENDED 30 JUNE 2021

	Notes	2021 \$'000	2020 \$'000
Cash flows from operating activities			
Receipts			
Grants from State Government – recurrent appropriation		93,193	85,266
Grants from State Government – capital		-	-
Receipts from other entities		7,999	13,034
Interest received		23	80
Dividends received		1,460	1,429
GST recovered from the ATO		862	2,919
Total receipts		103,537	102,728
Payments			
Payments to suppliers and employees		(50,263)	(48,391)
Capital asset charge payments		(43,359)	(43,357)
Total payments		(93,622)	(91,748)
Net cash flows from operating activities	6.2.1	9,915	10,980
Cash flows from investing activities			
Payments for property, plant and equipment		(881)	(21,048)
Payments for cultural assets		(1,854)	(1,171)
Net cash flows from/(used in) investing activities		(2,736)	(22,219)
Cash flows from financing activities			
Repayment of borrowings and principal portion of lease liabilities		(184)	(207)
Contributed capital		20	1,467
Net cash flows from/(used in) financing activities		(165)	1,260
Net increase/(decrease) in cash and cash equivalents		7,014	(9,979)
Cash and cash equivalents at the beginning of the year		5,914	15,893
Cash and cash equivalents at end of financial year	6.1	12,927	5,914

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 2021

	Physical asset revaluation surplus \$'000	Cultural assets revaluation surplus \$'000	Donations and bequests reserve \$'000	Specific purpose grants reserve \$'000	Accumulated surplus / (deficit) \$'000	Contributed capital \$'000	Total \$'000
Balance 30 June 2019	110,492	204,488	11,245	2,879	(24,900)	645,054	949,257
Net result for the year	-	-	-	-	(4,809)	-	(4,809)
Net transfer to / (from) accumulated surplus	-	-	(309)	(2,023)	2,332	-	-
Capital appropriation	-	-	-	-	-	1,467	1,467
Balance 30 June 2020	110,492	204,488	10,936	856	(27,376)	646,521	945,916
Net result for the year	-	-	-	-	(3,771)	-	(3,771)
Net transfer to / (from) accumulated surplus	-	-	798	5,606	(6,404)	-	-
Revaluation of non- current assets	108,968	45,413	-	-	-	-	154,381
Capital appropriation	-	-	-	-	-	20	20
Balance 30 June 2021	219,460	249,901	11,734	6,462	(37,551)	646,541	1,096,546
Notes	8.7.5	8.7.5	8.7.3	8.7.4	8.7.2	8.7.1	

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 2021

1 ABOUT THIS REPORT

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

The purpose of the report is to provide users with information about the Library'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 8.10.

Reporting entity

The financial statements cover the Library as an individual reporting entity. The Library is a statutory agency of the State of Victoria, established under Section 16 of the *Libraries Act 1988 (as amended)*.

Its principal address is:
328 Swanston Street
Melbourne VIC 3000

The financial statements include all the controlled activities of the Library. The Library'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 Library is predominantly funded by accrual-based Parliamentary appropriations for the provision of outputs.

The Library is one of nine cultural agencies of the Victorian Government and was established in 1852. These agencies are overseen by Creative Victoria, a division of the Department of Jobs, Precincts and Regions (DJPR). Creative Victoria is responsible for supporting, championing and growing the state's creative industries. The Library governs the activities and operation of the State Library and reports to the Victorian Minister for Creative Industries.

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

Basis of preparation

These financial statements are in Australian dollars and the historical cost convention is used unless a different measurement basis is specifically disclosed in the note associated with the item measured on a different basis.

The accrual basis of accounting has been applied in preparing 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.

At the start of this financial year, all public spaces at State Library Victoria remained closed in response to safety concerns related to the COVID-19 pandemic. The Library reopened to the public progressively during the year but was also reclosed on multiple occasions in response to state-wide lockdowns. As a consequence, visitor capacity has fluctuated throughout the reporting period in response to COVID-19 social distancing regulations.

As part of the preparation of the financial statements, the Library has undertaken a detailed assessment of its ability to continue as a going concern for the next 12 months. At 30 June 2021, the Library received a Letter of Support from the Minister of Creative Industries dated 1 August 2021 and on 24 June 2021 received a Treasurer's Advance of \$3,746,000 to support ongoing solvency. Based on this support and apart from the impact of the COVID-19 pandemic, the Library did not identify any events or conditions that cast significant doubt upon its ability to continue as a going concern.

The COVID-19 pandemic continues to have a substantial impact on the arts and cultural heritage sectors. Arts and culture sector organisations have been challenged to uphold their (often publicly funded) mission to provide access to cultural heritage to the community, as well as maintain the safety of their employees, collections and the public while reacting to the unexpected change in their business model with an unknown end.

The Library has continued to increase the provision of services through digital platforms, and further leveraged new ways of working. Pending the completion of a national vaccination program, COVID-19 is expected to continue posing uncertainty to the Library. The Library has included the expected impact of COVID-19 in its revenue and cost estimates.

Despite the uncertainty, the Library's going concern assumptions remain valid. The Library relies on grants, donations and bequests for most of its income. The Library accessed one-off additional supplementary grant funding from government of \$9.452 million to offset the impact of the COVID-19 pandemic on revenue (reduction mainly related to constrained commercial activity) and cost (increases mainly related to COVID-19-related hygiene and security) during the reporting period.

The Department of Jobs, Precincts and Regions (DJPR), Creative Victoria (CV) and the Department of Treasury and Finance (DTF) are working closely with the Library to consider and assess any additional funding requirements. To provide comfort that funding will be available if needed, the Minister for Creative Industries has provided a letter of support to the Library to give

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

1 ABOUT THIS REPORT (Cont'd)

it confidence that it can prepare its Annual Financial Report for 2020–21 on a going-concern basis to meet the requirements of Australian accounting standard AASB 101 *Presentation of Financial Statements*.

Consistent with the requirements of AASB 1004 *Contributions*, contributions by owners (that is, contributed capital and its repayment) are treated as equity transactions and, therefore, do not form part of the income and expenses of the Library.

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

Judgements, estimates and assumptions are required to be made about financial information being presented. The significant judgements made in the preparation of these financial statements are disclosed in the notes where amounts affected by those judgements are disclosed (refer to Notes 2, 3.1.2 and 7.3). 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.

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.

These financial statements cover the Library as an individual reporting entity and include all the controlled activities of the Library.

All amounts in the financial statements have been rounded to the nearest \$1,000 unless otherwise stated. Discrepancies in tables between totals and sums of components reflect rounding. Percentage variations in all tables are based on the underlying unrounded amounts.

Compliance information

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). In particular, they are presented in a manner consistent with the requirements of AASB 1049 *Whole of Government and General Government Sector Financial Reporting*. Where appropriate, those AAS paragraphs applicable to not-for-profit entities have been applied.

The annual financial statements were authorised for issue by the Library Board of Victoria on 22 September 2021.

The accounting policies set out below have been applied in preparing the financial statements for the year ended 30 June 2021 and the comparative information presented for the year ended 30 June 2020. 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

2 FUNDING DELIVERY OF OUR SERVICES

Introduction

The Library receives revenue from the State Government of Victoria, commercial activities and philanthropic sources to meet its objectives. The State Government funding principally comprises the government appropriation, capital funding and other grants for specific purposes. The Library also receives a capital asset charge grant from the State Government as outlined in 2.2. These revenue streams are described in more detail in Notes 2.1 to 2.6.

Significant judgement: revenue recognition

The Library recognises revenue in line with Australian Accounting Standards.

The primary assessment is based on its status as a not-for-profit entity. The following revenue types are immediately recognised on receipt:

- grants from government
- grants from other government agencies
- grants from third parties
- cash, other assets, donations
- bequests from donors.

Where a grant includes an enforceable agreement with specific performance obligations, the Library recognises the grant revenue when it achieves the applicable performance obligations.

A capital grant to construct an asset that is controlled by the Library is recognised as the asset is developed using the 'progressive percentage costs incurred method' because it most closely reflects the progress to complete the asset.

Structure

- 2.1 Summary of revenue and income that funds the delivery of our services
- 2.2 Revenue and grants from State Government
- 2.3 Other grants
- 2.4 Operating activities
- 2.5 Donations, bequests and philanthropic income
- 2.6 Investment income

2.1 Summary of revenue and income that funds the delivery of our services

	Notes	2021 \$'000	2020 \$'000
State Government – recurrent appropriation	2.2	48,459	41,909
State Government – capital grants		-	-
State Government – capital asset charge	2.2	43,359	43,357
State Government – other grants	2.3	3,600	1,926
Other grants	2.3	1,318	3,719
Operating activities	2.4	460	897
Donations and bequests	2.5	5,664	6,607
Investment income	2.6	1,486	1,509
Total revenue and income from transactions		104,346	99,924

The revenue and income that fund the delivery of the Library's services are accounted for consistently with the requirements of the relevant accounting standards disclosed in the following notes.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

2 FUNDING DELIVERY OF OUR SERVICES (Cont'd)**2.2 Revenue and grants from the State Government****State Government – recurrent appropriations and other grants**

State Government appropriation and other grants from State Government are recognised on receipt in accordance with AASB 1058 *Income of Not-for-Profit Entities* (AASB 1058).

State Government – capital asset charge

The State Government capital asset charge grant represents the opportunity cost of capital invested in the non-current physical assets used in the provision of outputs. The grant is calculated on the carrying amount of non-current physical assets (excluding heritage and cultural assets) and is matched by an equivalent government charge.

2.3 Other grants

The Library has determined that all grant income is recognised as income of not-for-profit entities in accordance with AASB 1058 *Income of Not-for-Profit Entities* (AASB 1058), except for grants that are enforceable and with sufficiently specific performance obligations and accounted for as revenue from contracts with customers in accordance with AASB 15 *Revenue from Contracts with Customers* (AASB 15).

Income from grants that are enforceable and with sufficiently specific performance obligations are accounted for as revenue from contracts with customers (AASB 15). These grants relate to the delivery of specific programs and are normally received in advance. Revenue is recognised when the Library satisfies the performance obligation. This recognition is based on the consideration specified in the funding agreement to the extent that it is highly probable a significant reversal of the revenue will not occur.

Income from grants without sufficiently specific performance obligations, or that are not enforceable, is recognised when the Library has an unconditional right to receive cash which usually coincides with the receipt of cash. On initial recognition of the income, the Library recognises any related amounts in accordance with AASB 1058. Such related amounts may take the form of:

- (a) contributions by owners, in accordance with AASB 1004
- (b) revenue or a contract liability arising from a contract with a customer, in accordance with AASB 15
- (c) a lease liability in accordance with AASB 16 *Leases*
- (d) a financial instrument, in accordance with AASB 9 *Financial Instruments*, or
- (e) a provision, in accordance with AASB 137 *Provisions, Contingent Liabilities and Contingent Assets*.

Capital grant revenue received during the current reporting period which is related to work not yet commenced has been deferred. This contribution has been recognised as deferred grant revenue. Grant income with specific performance obligations received during the current reporting period is accounted for in accordance with AASB 15. The Library has recognised contract liabilities under AASB 15 where performance obligations have not been met.

The Vision 2020 redevelopment project was finalised in October 2020, and all income related to this project has been recognised. Finalisation of other capital projects is underway, including a collection repository in Ballarat (BOSS2), and upgrade of fire services and the Library's data centre. The Library has received consideration from Government for these projects and has recognised income progressively as the assets are constructed.

	Notes	2021 \$'000	2020 \$'000
Other grants from State Government entities ^(a)	2.1	3,600	1,926
Other specific purpose grants	2.1	1,318	3,719
Total other grants		4,918	5,645

Note:

(a) Refer to Note 8.5 for further details of grants from State Government entities.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

2 FUNDING DELIVERY OF OUR SERVICES (Cont'd)

2.4 Operating activities

	Notes	2021 \$'000	2020 \$'000
Venue hire ^(a)		446	855
Other		14	42
Total operating activities income	2.1	460	897

Note:

(a) Venue hire incorporates all activities generating revenue from use of the building including contractual assets.

The sale of goods and services included in the table above are transactions that the Library has determined to be classified as revenue from contracts with customers in accordance with AASB 15.

Revenue is measured based on the consideration specified in the contract with the customer. The Library recognises revenue when it transfers control of a good or service to the customer, i.e. when or as the performance obligations for the sale of goods and services to the customer are satisfied.

- Customers obtain control of the supplies and consumables at a point in time when the goods are delivered to and have been accepted at their premises.
- Revenue from the sale of goods are recognised when the goods are delivered and have been accepted by the customer at their premises.
- Revenue from the rendering of services is recognised at a point in time when the performance obligation is satisfied when the service is completed, and over time when the customer simultaneously receives and consumes the services as it is provided.

Customers are invoiced and revenue is recognised when the goods are delivered and accepted by customers. For services rendered, where customers simultaneously receive and consume the service as it is provided, revenue is recognised progressively as contract assets until the customer is subsequently invoiced in accordance with the terms of the service agreement. For other customers that are only able to consume the services when they have been completed, revenue is only recognised upon completion and delivery of the services. In rare circumstance where there may be a change in the scope of services provided, the customer will be provided with a new contract for the additional services to be rendered and revenue is recognised consistent with accounting policy above.

Consideration received in advance of recognising the associated revenue from the customer is recorded as a contract liability (Note 7.1.1).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

2 FUNDING DELIVERY OF OUR SERVICES (Cont'd)

2.5 Donations, bequests and philanthropic income

	Notes	2021 \$'000	2020 \$'000
Donations redevelopment	2.5.1	1,875	3,125
Donated cultural assets at fair value	2.5.2	2,581	1,328
Other donations	2.5.1	1,145	1,265
Bequests	2.5.1	10	777
Memberships		53	112
Total donations and bequests	2.1	5,664	6,607

2.5.1 Donations, bequests and philanthropic income

Donations and bequests are recognised as revenue upon receipt at their fair value when the recipient obtains control over the resources, irrespective of whether restrictions or conditions are imposed over the use of the contributions. Memberships are recognised on receipt. The balance of unexpended donations and bequests is transferred from the accumulated surplus/deficit to the donations and bequests reserve on an annual basis. Related expenditure is recorded as an expense in the comprehensive operating statement as incurred and results in a subsequent compensatory transfer from the accumulated surplus/deficit to the donations and bequests reserve.

2.5.2 Donated cultural assets

Donated assets are recognised when they are accepted by the Library, when control of the contribution or right to receive the gift exists, and the donor has signed a deed of gift. Donated assets are recorded at fair value which is determined by either independent valuation for items donated under the Cultural Gifts Program, or by an independent valuation or internal curatorial assessment undertaken by the Library. Where accessioning into the collection is complex, certain donated cultural assets are held as 'work in progress' before they are accepted into the collection.

2.5.3 Voluntary services

The Library receives contributions in the form of volunteer services. However, consistent with its policy on volunteers, the Library's service delivery does not depend on volunteers and these services would not be purchased if they were not donated. On this basis these contributions have not been recognised as services received free of charge.

2.6 Investment income

	Notes	2021 \$'000	2020 \$'000
Distributions from managed investment schemes		1,388	1,100
Other investment income		75	329
Interest		23	80
Total investment income	2.1	1,486	1,509

Interest revenue is recognised when due and dividend revenue is recognised when the right to receive payment is established. Other investment income includes franking credits which are recognised on receipt.

Net realised and unrealised gains and losses on the revaluation of managed investment schemes 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

3 THE COST OF DELIVERING OUR SERVICES**Introduction**

This section provides an account of the expenses incurred by the Library in delivering its objectives. In section 2, the funds that enable the provision of services were disclosed and, in this note, the costs associated with the provision of services are recorded. Expenses incurred in delivering the objectives of the Library are outlined from 3.1 to 3.3 below:

Structure

- 3.1 Expenses incurred in the delivery of services
- 3.2 Other operating expenses
- 3.3 Capital asset charge

3.1 Expenses incurred in the delivery of services

	Notes	2021 \$'000	2020 \$'000
Employee benefit expenses	3.1.1	32,990	32,613
Other operating expenses	3.2	15,563	13,483
Capital asset charge	3.3	43,359	43,357
Total expenses incurred in delivery of services		91,912	89,453

3.1.1 Employee benefits in the comprehensive operating statement

	Notes	2021 \$'000	2020 \$'000
Salaries		25,867	24,827
Superannuation	3.1.3	2,700	2,518
Other salary-related costs		4,422	5,268
Total employee benefits in the comprehensive operating statement	3.1	32,990	32,613

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

The amount recognised in the comprehensive operating statement in respect of superannuation represents the contribution paid or payable by the Library to the superannuation funds of employees. The Library does not recognise any accrued defined benefit liability in respect of the plan(s).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

3 THE COST OF DELIVERING OUR SERVICES (Cont'd)

3.1.2 Employee benefits in the balance sheet

	2021 \$'000	2020 \$'000
Current provisions		
Annual leave		
– Unconditional and expected to be settled within 12 months	2,072	1,099
– Unconditional and expected to be settled after 12 months	-	649
Long-service leave		
– Unconditional and expected to be settled within 12 months	565	624
– Unconditional and expected to be settled after 12 months	4,325	4,990
	6,962	7,362
Provisions for on-costs		
– Unconditional and expected to be settled within 12 months	258	253
– Unconditional and expected to be settled after 12 months	664	863
	922	1,116
Total current provisions for employee benefits	7,884	8,477
Non-current provisions		
Conditional long-service leave entitlements	519	366
Provisions related to benefit on-costs	80	56
Total non-current provisions for employee benefits	599	422
Total provisions for employee benefits	8,483	8,899
	2021	
Reconciliation of movement in on-cost provision	\$'000	
Opening balance	1,172	
Additional provisions recognised	624	
Reductions arising from payments/other sacrifices of future economic benefits	(733)	
Reductions resulting from re-measurement or settlement without cost	(61)	
Closing balance	1,002	
Current	922	
Non-current	80	

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

3 THE COST OF DELIVERING OUR SERVICES (Cont'd)**Wages and salaries, annual leave and sick leave**

Liabilities for wages and salaries (including non-monetary benefits, annual leave and on-costs) are recognised as part of the employee benefit provision as current liabilities, because the Library does not have an unconditional right to defer settlements of these liabilities. The liability of salaries and wages are recognised in the balance sheet at remuneration rates which are current at the reporting date. As the Library expects the liabilities to be wholly settled within 12 months of the reporting date, they are measured at undiscounted amounts.

The annual leave liability is classified as a current liability and measured at the undiscounted amount expected to be paid, as the Library does not have an unconditional right to defer settlement of the liability for at least 12 months after the end of the reporting period.

No provision has been made for sick leave as all sick leave is non-vesting and it is not considered probable that the average sick leave taken in the future will be greater than the benefits accrued in the future. As sick leave is non-vesting, an expense is recognised in the comprehensive operating statement as it is taken.

Employment on-costs such as payroll tax, workers' compensation and superannuation are not employee benefits. They are disclosed separately as a component of the provision for employee benefits when the employment to which they relate has occurred.

Long-service leave

Unconditional long-service leave (LSL) is disclosed as a current liability, even where the Library 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:

- undiscounted value – if the Library expects to wholly settle within 12 months, or
- present value – if the Library does not expect to wholly 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 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' in the net result.

3.1.3 Superannuation contributions

The Library has made superannuation contributions for employees who are members of the public sector superannuation schemes listed below:

	Notes	2021 \$'000	2020 \$'000
Defined benefit plan^(a)			
State Superannuation Fund		541	385
Defined contribution plans			
VicSuper		1,447	1,426
Other superannuation funds		713	707
Total superannuation contributions	3.1.1	2,700	2,518

Note:

(a) The basis for determining the level of contributions is determined by the various actuaries of the defined benefit superannuation plans.

There are no superannuation contributions outstanding as at 30 June 2021 (2020: nil). The Library 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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

3 THE COST OF DELIVERING OUR SERVICES (Cont'd)

3.2 Other operating expenses

	Notes	2021 \$'000	2020 \$'000
Buildings and facilities		7,197	6,023
Information technology		4,068	3,211
Marketing and promotion		1,181	1,986
Other expenses from ordinary activities		755	1,024
Professional and finance		1,714	1,150
Lease interest payments		62	63
Grants distributed		585	25
Total other operating expenses	3.1	15,563	13,483

Other operating expenses generally represent the day-to-day running costs incurred in normal operations. It also includes a loss allowance from transactions that are mutually agreed.

Grant expenses are contributions of Library resources to another party for specific or general purposes where there is no expectation that the amount will be repaid in equal value (either by money, goods or services). Grants can either be operating or capital in nature. Grants can be paid as general-purpose grants, which refer to grants that are not subject to conditions regarding their use. Alternatively, they may be paid as specific purpose grants which are paid for a particular purpose and/or have conditions attached regarding their use. Grant expenses are recognised in the reporting period in which they are paid or payable. Grants can take the form of money, assets, goods, services or forgiveness of liabilities.

The following lease payments are recognised on a straight-line basis:

- short-term leases – leases with less than 12 months, and
- low-value leases – leases with an underlying asset value (when new, regardless of age of the asset being leased) of no more than \$10,000.

3.3 Capital asset charge

The capital asset charge is levied on the written-down value of controlled non-current physical assets (excluding heritage and cultural assets) in the Library's balance sheet and aims to attribute to the Library's outputs the opportunity cost of capital used in service delivery and provide incentives to the Library to identify and dispose of underutilised or surplus assets in a timely manner. The capital assets charge is calculated on the budgeted carrying amount of applicable non-financial physical assets at the beginning of each financial year.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

4 KEY ASSETS AVAILABLE TO SUPPORT OUTPUT DELIVERY

Introduction

The Library controls assets that are utilised in the delivery of its services. The key assets include property, plant and equipment, cultural assets, managed investment schemes and financial assets.

Structure

- 4.1 Total property, plant and equipment
- 4.2 Cultural assets
- 4.3 Investments and other financial assets

4.1 Total property, plant and equipment

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

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Land at fair value	235,400	132,992	-	-	235,400	132,992
Buildings at fair value	584,201	406,504	(208,400)	(42,754)	375,802	363,750
Equipment at fair value	28,499	25,944	(17,591)	(16,152)	10,908	9,791
Work in progress at cost	-	21,640	-	-	-	21,640
Closing balance	848,100	587,080	(225,991)	(58,906)	622,109	528,173

Included in the above table are right-of-use assets for buildings and equipment.

Initial recognition

Property, plant and equipment are measured initially at cost and subsequently revalued at fair value less accumulated depreciation and impairment.

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.

Right-of-use asset – subsequent measurement

Right-of-use assets are depreciated on a straight-line basis from the lease commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. Right-of-use assets are also subject to revaluation.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

4 KEY ASSETS AVAILABLE TO SUPPORT OUTPUT DELIVERY (Cont'd)

Land, buildings and equipment

Land, buildings and equipment are measured at fair value. The management revaluation considerations with respect to land and building gives regard to their 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. Refer to Note 7.3.2 for a more detailed discussion of the fair value determination of these assets. 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.

Land

The market approach is used for specialised land, although it is adjusted for the community service obligation (CSO) to reflect the specialised nature of the land being valued. Under the market approach the land is compared to recent comparable sales. The CSO adjustment is a reflection of the valuer's assessment of the impact of restrictions associated with the land to the extent that is also equally applicable to market participants.

An independent valuation of the Library's land was undertaken using the market approach by the Valuer General during 2020–21 to determine its fair value at the effective date of 30 June 2021. The valuation identified a CSO adjusted increase of \$102.4m or 77% and was taken through the accumulated asset revaluation reserve. The next scheduled revaluation will occur in 2026, consistent with the Standing Directions, which set out a revaluation cycle to occur every five years.

VGV's valuation report notes the impact of COVID-19 and the presence of valuation uncertainty related to potential market volatility. This is a common issue across the sector.

Buildings

The depreciated reproduction cost is the valuation method used for the Library's heritage buildings, adjusted for the associated depreciation. Reproduction cost represents the cost of reconstruction including professional fees and escalation, however it excludes the cost of demolition and removal of debris of the existing building. It also assumes destruction occurs on the date for financial reporting. Depreciated reproduction cost reflects reproduction cost after applying depreciation on a useful life basis.

Other buildings are valued at depreciated replacement cost.

An independent valuation of the Library's building was undertaken by Napier Blakeley acting as agent of the Valuer General during 2020–21 to determine fair value of the Library's buildings as at the effective date of 30 June 2021. After accounting for associated depreciation, the valuation identified an increase in the value of buildings of \$6.6m or 2%, which was taken through the accumulated asset revaluation reserve. The next scheduled revaluation will occur in 2026.

The valuation report for buildings notes the impact of COVID-19 and the presence of valuation uncertainty related to potential market volatility. This is a common issue across the sector.

Equipment

Equipment – including plant, equipment and motor vehicles – is held at fair value which has been determined using the current replacement cost method.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

4 KEY ASSETS AVAILABLE TO SUPPORT OUTPUT DELIVERY (Cont'd)

4.1.1 Depreciation

	Notes	2021 \$'000	2020 \$'000
Depreciation charge for the period			
Buildings	4.1.3	14,554	10,769
Equipment	4.1.3	1,545	1,143
Cultural assets non-heritage collection	4.2	2,650	2,599
Total depreciation		18,749	14,510

Property, plant and equipment, including freehold buildings but excluding land, have finite lives and are depreciated. Depreciation is calculated on a straight-line basis at rates that allocate the asset's value, less any estimated useful life.

The following are typical estimated useful lives for the different asset classes, including right-of-use assets, used in the calculation of depreciation for the current and prior year.

Asset class	Useful life
Buildings	100 years
Buildings right-of-use assets	30 years
Equipment	5–20 years
Equipment right-of-use assets	3–5 years
Cultural assets – non-heritage collection	50 years

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. The estimated useful lives, residual values and depreciation method are reviewed at the end of each annual reporting period. Where it is determined that the estimated useful life of an asset has changed, the depreciation rate for the asset is adjusted accordingly.

Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term. Where the Library obtains ownership of the underlying leased asset or if the cost of the right-of-use asset reflects that the entity will exercise a purchase option, the entity depreciates the right-of-use asset over its useful life.

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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

4 KEY ASSETS AVAILABLE TO SUPPORT OUTPUT DELIVERY (Cont'd)

4.1.2 Impairment

The recoverable amount of property, plant and equipment of not-for-profit entities, which are typically specialised in nature and held for continuing use of their service capacity, is expected to be materially the same as fair value determined under AASB 13 *Fair Value Measurement*, with the consequence that AASB 136 does not apply to such assets that are regularly revalued.

4.1.3 Reconciliation of movement in carrying values of property, plant and equipment

	Land at fair value \$'000	Buildings at fair value \$'000	Equipment at fair value \$'000	Work in progress at cost \$'000	Total \$'000
2021					
Opening balance	132,992	363,750	9,791	21,640	528,173
Additions	-	-	1,081	-	1,081
Transfers	-	20,058	1,582	(21,640)	-
Disposals	-	-	(108)	-	(108)
Revaluation of assets	102,408	6,548	-	-	108,956
Depreciation	-	(14,554)	(1,439)	-	(15,992)
Closing balance	235,400	375,802	10,908	-	622,109
2020					
Opening balance	132,992	287,000	3,516	96,301	519,809
Additions	-	87,519	7,418	-	94,936
Transfers	-	-	-	(74,660)	(74,660)
Disposals	-	-	-	-	-
Depreciation	-	(10,769)	(1,143)	-	(11,911)
Closing balance	132,992	363,750	9,791	21,640	528,173

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

4 KEY ASSETS AVAILABLE TO SUPPORT OUTPUT DELIVERY (Cont'd)

4.2 Cultural assets

Classification by 'purpose groups' – gross carrying amount and accumulated depreciation

	Gross carrying amount		Accumulated depreciation		Net carrying amount	
	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000	2021 \$'000	2020 \$'000
Heritage collection at fair value	328,287	280,031	-	-	328,287	280,031
Non-heritage collection at fair value	120,082	117,834	-	(9,325)	120,082	108,508
Donated material at fair value	913	8,082	-	(399)	913	7,683
Donated material WIP at fair value	686	1,631	-	-	686	1,631
Non-heritage collection at fair value	-	5,089	-	(171)	-	4,918
Closing balance	449,968	412,667	-	(9,896)	449,968	402,771

Cultural assets comprise items in the State Library Collection and other cultural assets. Control of the State Library Collection is vested in the Library by virtue of the *Libraries Act 1988*. Additions to the State Collection may take the form of either a purchase by the Library or a donation from a third party.

All cultural assets are held for exhibition, education, research and historical interest. Such assets are deemed worthy of preservation because of the social rather than financial benefits they provide to the community. The nature of these assets means that there are certain limitations and restrictions imposed on their use and/or disposal.

The fair value of cultural assets and collections, heritage assets and other non-financial physical assets that the State of Victoria intends to preserve because of their unique historical, cultural or environmental attributes, is measured at market value or 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. The basis of valuation is dependent on the existence of market information and the characteristics of the asset class. These policies and any legislative limitations and restrictions imposed on their use and/or disposal may impact their fair value.

Purchased cultural assets are initially carried at cost and revalued subsequently at fair value. Donated or bequeathed cultural assets are carried at fair value; this is determined by either independent valuation for items donated under the Cultural Gifts Program, or by an internal curatorial or other assessment undertaken by the Library. Items in the heritage collection are not depreciated as they do not have a finite useful life. The current use is considered the highest and best use. Refer to Note 7.3.2 for a more detailed discussion of the fair value determination of collections.

An independent comprehensive valuation was undertaken by Jones Lang LaSalle during 2020–21 to determine the fair value of the Library Collection, in accordance with the valuation methods set out above, at the effective date of 30 June 2021. The valuation conformed to the Australian Valuation Standards, Australian Accounting Standards and Financial Reporting Directions and was determined based on the exchange of assets between knowledgeable willing parties in an arms-length transaction. The valuation identified an increase of \$45.4m or 11% in the value of the Collection and was taken through the accumulated asset revaluation reserve. The next scheduled revaluation of the Library Collection will occur in 2026, consistent with the Standing Directions, which set out a revaluation cycle to occur every five years.

The valuation report for the Collection notes the impact of COVID-19 and the presence of valuation uncertainty related to potential market volatility. This is a common issue across the sector.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

4 KEY ASSETS AVAILABLE TO SUPPORT OUTPUT DELIVERY (Cont'd)

4.2.1 Reconciliation of movements of cultural assets

	Heritage collection at independent fair value \$'000	Heritage collection at management fair value \$'000	Non-heritage collection at independent fair value \$'000	Donated material at fair value \$'000	Non-heritage collection at management fair value \$'000	Work in progress \$'000	Total \$'000
2021							
Opening balance	278,305	1,726	108,509	7,683	4,918	1,631	402,771
Purchases	468	-	-	-	1,385	-	1,853
Donated materials	-	-	-	2,581	-	-	2,581
Revaluation of cultural assets	49,515	(1,726)	13,874	(9,089)	(6,215)	(945)	45,413
Depreciation	-	-	(2,300)	(262)	(88)	-	(2,650)
Closing balance	328,287	-	120,082	913	-	686	449,968
2020							
Opening balance	277,952	1,726	110,764	6,611	4,182	1,631	402,866
Purchases	353	-	-	-	822	-	1,175
Donated materials	-	-	-	1,328	-	-	1,328
Depreciation	-	-	(2,255)	(257)	(86)	-	(2,599)
Closing balance	278,305	1,726	108,509	7,683	4,918	1,631	402,771

4.3 Investments and other financial assets

The Library holds cash, deposits and managed investment schemes to provide for future operating and capital purposes, including the purchase of cultural assets. Funds are classified as current or non-current.

Current funds represent funds held either in transactional bank accounts, or invested in order to reduce volatility in value and optimise the investment income earned.

Non-current funds represent funds held in perpetuity (endowed funds) and invested with the intent of maximising their long-term value. As a result, these funds may experience more volatility in value.

Managed investment schemes held by the Library are measured at fair value through net result and as described in Note 7.3.1.

Gains on individual assets arising from differences between carrying amount and fair value are credited directly to the 'Financial assets available-for-sale surplus', except that, to the extent that an increment reverses a revaluation decrement in respect of that asset previously recognised as an expense in the net result, the increment is recognised immediately as revenue in the net result.

Losses on individual assets arising from differences between carrying amount and fair value are recognised immediately as an expense in the net result, except that, to the extent that a credit balance exists in the 'Financial assets available-for-sale surplus' in respect of the same asset, are debited directly to the 'Financial assets available-for-sale surplus'. Revaluation increases and decreases of different assets are not offset against one another.

Movements resulting from impairment are recognised as an expense in the net result. On disposal, the cumulative gain or loss previously recognised in 'Other economic flows – other comprehensive income' is transferred to 'Other economic flows included in net result'.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

4 KEY ASSETS AVAILABLE TO SUPPORT OUTPUT DELIVERY (Cont'd)

4.3.1 Analysis and purpose of financial assets

	Notes	General funds 2021 \$'000	Dedicated funds 2021 \$'000	Total funds 2021 \$'000	General funds 2020 \$'000	Dedicated funds 2020 \$'000	Total funds 2020 \$'000
Cash and deposits	6.1	2,809	10,118	12,927	4,252	1,662	5,914
Receivables	5.1	2,368	-	2,368	1,858	-	1,858
Managed investment schemes and other financial assets		-	23,417	23,417	-	20,933	20,933
Total financial assets		5,177	33,535	38,712	6,110	22,594	28,705

General funds have been generated by the Library from operating activities and are applied to the achievement of the Library's future strategic objectives, including expenditure on property, plant and equipment.

Dedicated funds have been granted, donated or bequeathed to the Library. These funds are dedicated to specific purposes, as expressed by the original grantor, donor or testator. The change in value of dedicated funds reflects the economic change impacting securities held in actively traded markets. For further detail refer to Note 7.1.2.

Dedicated funds shown as 'managed investment schemes and other financial assets' are categorised as follows:

	Notes	2021 \$'000	2020 \$'000
Dedicated funds shown as managed investment schemes and other financial assets			
Corpus		15,145	13,539
Bequests/donations – non-endowed		2,992	2,675
Bequests/donations – endowed		5,279	4,719
Total managed investment schemes and other financial assets		23,417	20,933

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

5 OTHER ASSETS AND LIABILITIES

Introduction

This section sets out those assets and liabilities that arose from the Library's operations.

Structure

- 5.1 Receivables
- 5.2 Prepayments and deferred expenditure
- 5.3 Payables
- 5.4 Maturity analysis of financial liabilities

5.1 Receivables

	Notes	2021 \$'000	2020 \$'000
Current contractual			
Debtors – external		1,898	1,700
Allowance for impairment losses of contractual receivables		-	(40)
		1,898	1,660
Current statutory			
Statutory GST recoverable		470	198
Total current receivables	4.3.1	2,368	1,858

Receivables consist of:

- contractual receivables, such as debtors in relation to goods and services and franking credits recoverable, and
- statutory receivables include GST input tax credits recoverable.

Contractual receivables are classified as financial instruments. They are initially recognised at fair value plus any directly attributable transaction costs. The Library holds the contractual receivables with the objective to collect the contractual cash flows and therefore subsequently measured at amortised cost using the effective interest method, less any impairment.

Statutory receivables are recognised and measured similarly to contractual receivables (except for impairment), but are not classified as financial instruments because they do not arise from a contract.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

5 OTHER ASSETS AND LIABILITIES (Cont'd)

5.1.1 Ageing analysis of contractual receivables

			Past due but not impaired			
	Carrying amount \$'000	Not past due and not impaired \$'000	Less than 1 month \$'000	1-3 months \$'000	3 months - 1 year \$'000	1-5 years \$'000
2021						
Contractual financial assets						
Receivables						
Debtors	1,898	1,800	-	59	3	35
Total contractual financial assets	1,898	1,800	-	59	3	35
2020						
Contractual financial assets						
Receivables						
Debtors	1,660	1,383	-	89	189	-
Total contractual financial assets	1,660	1,383	-	89	189	-

There are no material financial assets that are individually determined to be impaired. The Library 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.

5.2 Prepayments and deferred expenditure

	2021 \$'000	2020 \$'000
Prepayments	738	405
Deferred expenditure		
CARM Centre Bundoora	1,000	1,000
less: accumulated depreciation	(999)	(999)
Total prepayments and deferred expenditure	739	406

Prepayments 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 the period. Prepayments include collection serials and ICT licences.

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

5 OTHER ASSETS AND LIABILITIES (Cont'd)

5.3 Payables

	Notes	2021 \$'000	2020 \$'000
Contractual financial liabilities			
Supplies and services		2,734	1,908
Accrued expense		470	985
Lease liabilities	6.3	447	615
Unearned income		805	-
Contract liability		1,900	1,631
Amounts payable to other government agencies		2	2
		6,357	5,141
Statutory			
Amounts payable to other government agencies		142	100
Total payables	5.3	6,499	5,241

Accounts payable and accrued expenses represent liabilities for goods and services provided to the Library prior to the end of the financial year that are unpaid and arise when the Library 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 (refer to Note 7.1.1). Statutory payables are recognised and measured similarly to contractual payables, but are not classified as financial instruments because they do not arise from a contract.

- **Contractual payables** are classified as financial instruments and measured at amortised cost. Accounts payable represent liabilities for goods and services provided to the Library prior to the end of the financial year that are unpaid.
- **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 contracts.

Payables for supplies and services have an average credit period of 30 days. No interest is charged on the Library's payables for the first 30 days from the date of the invoice.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

5 OTHER ASSETS AND LIABILITIES (Cont'd)

Contract liabilities

	2021 \$'000	2020 \$'000
Grant consideration for capital works and revenue from performance obligations satisfied in the previous period (adjusted for AASB 1058) at the beginning of the year		-
Grant consideration for capital works received during the year	1,131	854
Transaction price allocated to the remaining performance obligations from contracts with customers	769	777
Grant revenue for capital works recognised consistent with the capital works undertaken during the year	-	-
Closing balance of deferred grant consideration received for capital works	1,900	1,631

Contract liabilities include consideration received in advance from funding agencies to deliver programs and library services to target clients. The Library receives upfront payment which is drawn based on the achievement of specific performance obligations. Funding is acquitted at the end of the reporting program and unused or unearned income is returned to the funding agencies or held in trust by the Library until the funding agency directs the Library as to use.

Consideration received from the State Government and other agencies for the delivery of services with specific performance obligations was also impacted by the COVID-19 pandemic. The recognition of grant income has been deferred if it is subject to an acquittal process, which requires the grant to be returned if the underlying obligation is not achieved or if funding is not spent.

Contract liabilities include deferred capital grant revenue. Grant revenue is recognised progressively as the asset is constructed, since this is the time when the Library satisfies its obligations under the transfer by controlling the asset as and when it is constructed. Income is progressively recognised as the work is completed (see Note 2.3). The Library has deferred some grant consideration received as a liability for outstanding obligations.

During 2020-21, the Library received consideration for an upgrade of fire services and its data centre. Last financial year, the Library received consideration for the fit-out of BOSS2. Due to the COVID-19 pandemic, delays have arisen resulting in grant consideration for these projects being deferred to the next reporting period.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

5 OTHER ASSETS AND LIABILITIES (Cont'd)

5.4 Maturity analysis of financial liabilities

	Maturity dates						
	Carrying amount	Nominal amount	Less than 1 month	1-3 months	3 months – 1 year	1-5 years	5+ years
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
2021							
Contractual financial liabilities							
Payables							
Supplies and services	2,734	2,734	2,706	4	23	1	-
Accrued expense	470	470	470	-	-	-	-
Lease liabilities	447	447	2	60	87	70	228
Unearned income	805	805	805	-	-	-	-
Contract liabilities	1,900	1,900	-	-	1,445	455	-
Amounts payable to other government agencies	144	144	144	-	-	-	-
Total contractual financial liabilities	6,499	6,499	4,127	64	1,555	525	228
2020							
Contractual financial liabilities							
Payables							
Supplies and services	1,908	1,908	1,432	359	117	-	-
Accrued expense	985	985	985	-	-	-	-
Lease liabilities	615	615	1	2	163	198	250
Contract liabilities	1,631	1,631	-	85	1,091	455	-
Amounts payable to other government agencies	102	102	1	101	-	-	-
Total contractual financial liabilities	5,241	5,241	2,420	547	1,370	652	250

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

6 HOW WE FINANCED OUR OPERATIONS

Introduction

This section provides information on the sources of finance utilised by the Library to deliver its services.

Structure

- 6.1 Cash and deposits
- 6.2 Cash flow information and balances
- 6.3 Commitments for future expenditure

6.1 Cash and deposits

	Notes	2021 \$'000	2020 \$'000
Cash on hand		4	4
Cash at bank		2,805	4,248
Bank deposits at call		10,118	1,662
Total cash and deposits	4.3.2	12,927	5,914

Cash and deposits recognised on the balance sheet comprise cash on hand and cash at bank, deposits at call and 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 are readily convertible to known amounts of cash with an insignificant risk of changes in value.

6.2 Cash flow information and balances

6.2.1 Reconciliation of net result for the period to net cash flow from operating activities

	Notes	2021 \$'000	2020 \$'000
Net result for the year		(3,771)	(4,809)
Non-cash movements			
Depreciation	4.1.1	18,749	14,510
Donated cultural assets	2.5	(2,581)	(1,328)
Loss/(gain) on sale of non-financial assets		1	-
Changes to the fair value of managed investment schemes measured at fair value through net result		(2,484)	852
Gain on revaluation of long-service leave liability due to changes in bond rates		(61)	(81)
Movements in assets and liabilities			
Increase/(decrease) in payables		1,258	2,711
Decrease/(increase) in prepayments		(333)	220
Decrease/(increase) in receivables		(510)	(294)
(Decrease)/increase in provisions		(355)	(800)
Net cash flow from/(used in) operating activities		9,915	10,980

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

6 HOW WE FINANCED OUR OPERATIONS (Cont'd)

6.2.2 Non-cash financing and investing activities

Acquisition of collections

During the year the Library acquired collections with an aggregate fair value of \$2,581,083 (2020: \$1,328,470) through public donation. These acquisitions are not reflected in the cash flow statement.

Leased assets

During the year the Library did not acquire any new leased motor vehicles (2020: nil).

6.3 Commitments for future expenditure

Commitments for future expenditure include operating and capital commitments arising from contracts. The following commitments are disclosed at their nominal value and inclusive of the GST payable and are not included in the balance sheet. These future expenditures cease to be disclosed as commitments once the related liabilities are recognised in the balance sheet.

	2021 \$'000	2020 \$'000
Capital expenditure commitments		
Capital expenditure includes building redevelopment, payable as follows:		
Not later than one year	575	
Later than one year, not later than five years	147	
Later than five years	-	-
	722	-
Other expenditure commitments		
Other expenditure includes mechanical and lift maintenance, security, cleaning and rental of the Library's Ballarat offsite storage site payable as follows:		
Not later than one year	7,010	4,429
Later than one year, not later than five years	7,744	4,106
Later than five years	378	-
Total commitments for expenditure (inclusive of GST)	15,132	8,535
Less GST recoverable from the ATO	(1,441)	(776)
Total commitments for expenditure (exclusive of GST)	14,413	7,759

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

7 RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS

Introduction

The Library is exposed to risk from its activities and outside factors. It is often necessary to make judgements and estimates associated with recognition and measurement of items in the financial statements. This section sets out financial instrument specific information (including exposure to financial risks) as well as those items that are contingent in nature or require a higher level of judgement to be applied, which for the Library relate mainly to fair value determination.

Structure

- 7.1 Financial instruments specific disclosures
- 7.2 Contingent assets and contingent liabilities
- 7.3 Fair value determination

7.1 Financial instruments specific disclosures

Introduction

The Library's principal financial instruments comprise cash assets, term deposits, receivables, managed investment schemes, payables and finance lease payables. 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 Library'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.

Financial assets at amortised cost

Financial assets are measured at amortised cost if both of the following criteria are met and the assets are not designated as fair value through net result:

- the assets are held by the Library to collect the contractual cash flows, and
- the assets' contractual terms give rise to cash flows that are solely payments of principal and interests.

These assets are initially recognised at fair value plus any directly attributable transaction costs and are subsequently measured at amortised cost using the effective interest method less any impairment.

The Library recognises the following assets in this category:

- cash and deposits
- receivables (excluding statutory receivables)
- term deposits.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

7 RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS (Cont'd)

Financial assets at fair value through net result

Equity instruments that are held for trading are classified as fair value through net result. Other financial assets are required to be measured at fair value through net result unless they are measured at amortised cost or fair value through other comprehensive income as explained above.

However, as an exception to those rules above, the Library may, at initial recognition, irrevocably designate financial assets as measured at fair value through net result if doing so eliminates or significantly reduces a measurement or recognition inconsistency ('accounting mismatch') that would otherwise arise from measuring assets or liabilities or recognising the gains and losses on them on different bases.

The Library recognises listed equity securities as mandatorily measured at fair value through net result and designates all of its managed investment schemes as fair value through net result.

Financial liabilities at amortised cost 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 amortised cost with any difference between the initial recognised amount and the redemption value being recognised in the net result over the period of the interest-bearing liability, using the effective interest rate method. The Library recognises the following liabilities in this category:

- payables (excluding statutory payables)
- borrowings (including lease liabilities).

De-recognition 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 Library 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 Library has transferred its rights to receive cash flows from the asset and either:
 - has transferred substantially all the risks and rewards of the asset, or
 - has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

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

De-recognition of financial liabilities: A financial liability is derecognised when the obligation under the liability is discharged, cancelled or expires.

When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised as an 'other economic flow' in the comprehensive operating statement.

Reclassification of financial instruments: Subsequent to initial recognition reclassification of financial liabilities is not permitted. Financial assets are required to be reclassified between fair value through net result, fair value through other comprehensive income and amortised cost when and only when the Library's business model for managing its financial assets has changed such that its previous model would no longer apply.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

7 RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS (Cont'd)

7.1.1 Financial instruments: categorisation

The categorisation of the Library's contractual financial assets and contractual financial liabilities by category are disclosed as follows:

	Cash and deposits \$'000	Financial assets mandatorily measured at fair value through profit/loss (FVTPL) \$'000	Financial liabilities at amortised cost (AC) \$'000	Total \$'000
2021				
Contractual financial assets				
Cash and deposits				
Cash and deposits	12,927	-	-	12,927
Receivables				
Debtors	1,898	-	-	1,898
Accrued investment income				
Managed investment schemes and other contractual financial assets				
Managed investment schemes		23,417		23,417
Total contractual financial assets	14,825	23,417	-	38,242
Contractual financial liabilities				
Payables				
Supplies and services	-	-	2,734	2,734
Accrued expense	-	-	470	470
Lease liabilities	-	-	447	447
Unearned income	-	-	805	805
Contract liabilities	-	-	1,900	1,900
Amounts payable to other government agencies	-	-	2	2
Total contractual financial liabilities	-	-	6,357	6,357
2020				
Contractual financial assets				
Cash and deposits	5,914	-	-	5,914
Receivables				
Debtors	1,660	-	-	1,660
Accrued investment income	-	-	-	-
Managed investment schemes and other contractual financial assets				
Managed investment schemes	-	20,933	-	20,933
Total contractual financial assets	7,574	20,933	-	28,507
Contractual financial liabilities				
Payables				
Supplies and services	-	-	1,908	1,908
Accrued expense	-	-	985	985
Lease liabilities	-	-	615	615
Contract liabilities	-	-	1,631	1,631
Amounts payable to other government agencies	-	-	2	2
Total contractual financial liabilities	-	-	5,141	5,141

Note: Amounts disclosed in this table exclude holding gains and losses related to statutory financial assets and liabilities.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

7 RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS (Cont'd)

7.1.2 Net holding gain/(loss) on financial instruments by category

	Net holding gain \$'000	Total income (expense) \$'000	Fee income (expense) \$'000	Impairment loss \$'000	Total \$'000
2021					
Contractual financial assets					
Financial assets at amortised cost	-	23	-	-	23
Managed investment schemes designated at fair value through profit/loss	-	1,463	-	-	1,463
Changes to the fair value of managed investment schemes measured at fair value through net result	2,484	-	-	-	2,484
Total contractual financial assets	2,484	1,486	-	-	3,970
Contractual financial liabilities					
Financial liabilities at amortised cost	-	-	-	-	-
Total contractual financial liabilities	-	-	-	-	-
2020					
Contractual financial assets					
Financial assets at amortised cost	-	80	-	-	80
Managed investment schemes designated at fair value through profit/loss	-	1,429	-	-	1,429
Changes to the fair value of managed investment schemes measured at fair value through net result	(852)	-	-	-	(852)
Total contractual financial assets	(852)	1,509	-	-	657
Contractual financial liabilities					
Financial liabilities at amortised cost	-	-	-	-	-
Total contractual financial liabilities	-	-	-	-	-

Notes:

Amounts disclosed in this table exclude holding gains and losses related to statutory financial assets and liabilities.

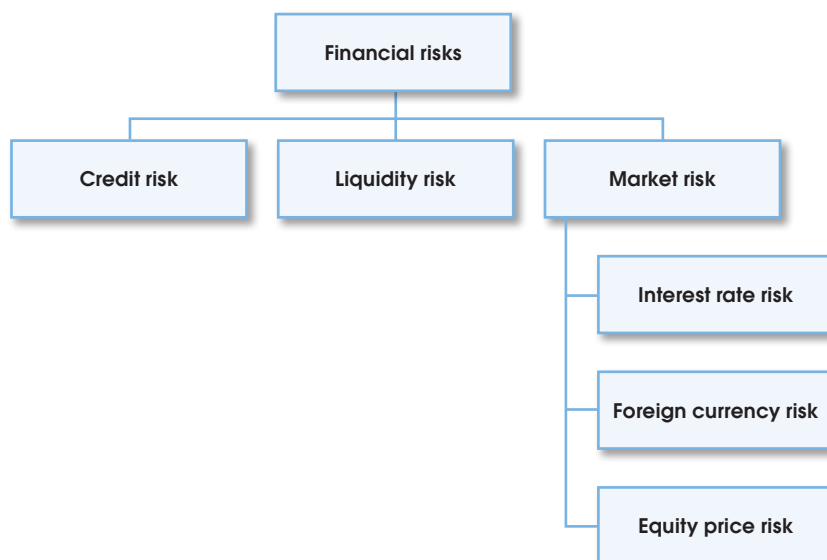
The net holding gains or losses disclosed above are determined as follows:

- 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.
- For financial asset and liabilities that are mandatorily measured at or designated at fair value through net result, the net gain or loss is calculated by taking the movement in the fair value of the financial asset or liability.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

7 RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS (Cont'd)

7.1.3 Financial risk management objectives and policies



As a whole, the Library's financial risk management program seeks to manage these risks and the associated volatility of its financial performance.

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 above, are disclosed in Note 7.3 to the financial statements.

The main purpose in holding financial instruments is to prudentially manage the Library's financial risks within government policy parameters.

The Library's main financial risks include credit risk, liquidity risk, interest rate risk, foreign currency risk and equity price risk. The Library manages these financial risks in accordance with its financial risk management policy.

The Library 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 Library's Accountable Officer.

Credit risk

Credit risk arises from the contractual financial assets of the Library, which comprise cash and cash equivalents, term deposits, non-statutory receivables and available-for-sale contractual financial assets. The Library's exposure to credit risk arises from the potential default of counter parties on their contractual obligations resulting in financial loss to the Library. Credit risk is measured at fair value and is monitored on a regular basis.

Credit risk associated with the Library's contractual financial assets is minimal because the main counterparties are Victorian government departments, ANZ Banking Group Limited, National Australia Bank Limited, Treasury Corporation of Victoria and Victorian Funds Management Corporation.

The Library does not engage in hedging for its contractual financial assets and the Library 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 Library's maximum exposure to credit risk. There has been no material change to the Library's credit risk profile in 2020-21.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

7 RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS (Cont'd)

Credit quality of financial assets ^(a)

	Financial institutions Double-A credit rating \$'000	Government agencies Triple-A credit rating \$'000	Other min Triple-B credit rating \$'000	Other \$'000	Total \$'000
2021					
Financial assets					
Cash and deposits (not assessed for impairment)	2,805	10,118	-	4	12,927
Contractual receivables (with no impairment loss recognised)	-	1,205	-	693	1,898
Statutory receivables (with no impairment loss recognised)	-	-	-	-	-
Managed investment schemes and other financial assets (with no impairment loss recognised)	-	23,417	-	-	23,417
Financial assets with loss allowance measured at lifetime expected credit loss					
Contractual receivables applying the simplified approach for impairment	-	-	-	-	-
Total contractual financial assets	2,805	34,739	-	697	38,242
2020					
Financial assets					
Cash and deposits (not assessed for impairment)	4,248	1,662	-	4	5,914
Contractual receivables (with no impairment loss recognised)	-	667	-	1,033	1,700
Statutory receivables (with no impairment loss recognised) ^(a)	-	-	-	-	-
Managed investment schemes and other financial assets (with no impairment loss recognised)	-	20,933	-	-	20,933
Financial assets with loss allowance measured at lifetime expected credit loss					
Contractual receivables applying the simplified approach for impairment	-	-	-	(40)	(40)
Total contractual financial assets	4,248	23,262	-	997	28,507

Note:

(a) The total amounts disclosed here exclude statutory amounts (e.g. amounts owing from Victorian Government and GST input tax credit recoverable).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

7 RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS (Cont'd)

Contractual receivables at amortised cost

The Library applies AASB 9 simplified approach for all contractual receivables to measure expected credit losses using a lifetime expected loss allowance based on the assumptions about risk of default and expected loss rates. The Library has grouped contractual receivables on shared credit risk characteristics and days past due and selected the expected credit loss rate based on the Library's past history and existing market conditions, as well as forward-looking estimates at the end of the financial year.

On this basis, the Library determined the closing loss allowance at end of the financial year as follows:

	Current	Less than 1 month	1-3 months	3 mths - 1 year	1-5 years	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
30 June 2021 ^(a)						
Expected loss rate (%)						
Gross carrying amount of contractual receivables	1,800	-	59	3	35	1,898
Loss allowance	-	-	-	-	-	-
30 June 2020						
Expected loss rate (%)						
Gross carrying amount of contractual receivables	1,393	-	95	213	-	1,700
Loss allowance	10	-	6	24	-	40

Note:

(a) Generally, the Library considers contractual receivables to have a low credit risk as the majority of these receivables are with other State Government agencies.

Reconciliation of the movement in the loss allowance for contractual receivables is shown as follows:

	2021	2020
	\$'000	\$'000
Balance at beginning of the year	40	-
Increase in provision recognised in the net result	-	40
Receivables written off during the year as uncollectable ^(a)	(40)	-
Balance at the end of the year	-	40

Note:

(a) During the reporting period, the Library wrote off a receivable related to rental income via mutual consent.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

7 RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS (Cont'd)

Credit loss allowance is classified as other economic flows in the net result. Contractual receivables are written off when there is no reasonable expectation of recovery, and impairment losses are classified as a transaction expense. Subsequent recoveries of amounts previously written off are credited against the same line.

In prior years, a provision for doubtful debts is recognised when there is objective evidence that the debts may not be collected and bad debts are written off when identified. A provision is made for estimated irrecoverable amounts from the sale of goods when there is objective evidence that an individual receivable is impaired. Bad debt written off by mutual consent is classified as a transaction expense.

Liquidity risk

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

Market risk

The Library is exposed to market risk primarily through interest-rate risk and equity-price risk, with minimal exposure to foreign-currency risk.

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 Library has minimal exposure to cash flow interest-rate risks through its cash and deposits and term deposits that are at fixed interest rates. Exposure to cash flow interest-rate risk arises primarily through the Library's interest-bearing assets (term deposits) at the time of expiration of one term and renegotiation for a new term. The Library 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 Library to significant risk; management monitors movement in interest rates on a daily basis.

Globally, interest rates are at a historic low point. Management anticipates that the low interest rate environment will persist throughout the medium term. As a consequence the Library's financial assets and financial liabilities are expected to have very limited exposure to interest rate movements during the next reporting period. The Library's sensitivity to interest-rate risk is set out below.

Sensitivity disclosure analysis and assumptions

The impact of COVID-19 is moderating in Australia but continues to be felt all around the world. Performance of the financial markets has improved in 2020-21 but may continue to fluctuate and impact the fair value of investments and other financial assets in future reporting periods.

The Library's fund manager cannot be expected to predict movements in market rates and prices. The Library's investments are based on securities traded on active public exchanges and are valued based on the quoted price for the investment and the quantity held (AASB 13.80). Taking into account past performance, future expectations, economic forecasts and fund manager knowledge and experience, the Library believes that the following movements are 'reasonably possible' over the next 12 months assuming a possible parallel shift of +/- 100 basis points in market interest rates (AUD) from year end.

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

7 RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS (Cont'd)

Interest-rate exposure of financial instruments

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 Library's sensitivity to interest rate risk is set out below.

	Weighted average interest rate %	Carrying amount \$'000	Interest rate exposure		
	%	\$'000	Fixed interest rate \$'000	Variable interest rate \$'000	Non- interest bearing \$'000
2021					
Contractual financial assets					
Cash and deposits	0.5%	12,927	-	12,927	-
Receivables					
Debtors		1,898	-	-	1,898
Accrued investment income		-	-	-	-
Managed investment schemes and other contractual financial assets					
Managed investment schemes		23,417	-	-	23,417
Total contractual financial assets		38,242		12,927	25,315
Contractual financial liabilities					
Payables					
Supplies and services		2,734	-	-	2,734
Accrued expense		470	-	-	470
Lease liabilities	2.4%	447	447	-	-
Amounts payable to other government agencies		2	-	-	2
Total contractual financial liabilities		3,652	447	-	3,205
2020					
Contractual financial assets					
Cash and deposits	1.0%	5,914	-	5,914	-
Receivables					
Debtors		1,660	-	-	1,660
Accrued investment income		-	-	-	-
Managed investment schemes and other contractual financial assets					
Managed investment schemes		20,933	-	-	20,933
Total contractual financial assets		28,507	-	5,914	22,593
Contractual financial liabilities					
Payables					
Supplies and services		1,908	-	-	1,908
Accrued expense		985	-	-	985
Lease liabilities	3.3%	615	615	-	0
Amounts payable to other government agencies		2	-	-	2
Total contractual financial liabilities		3,510	615	-	2,895

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

7 RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS (Cont'd)

Interest-rate risk sensitivity

	Carrying amount \$'000	-0.5% Net result \$'000	+0.5% Net result \$'000
2021			
Contractual financial assets			
Cash and deposits	12,927	(65)	65
Receivables			
Debtors	1,858	-	-
Total contractual financial assets	14,785	(65)	65
Contractual financial liabilities			
Payables			
Supplies and services	2,734	-	-
Accrued expense	470	-	-
Lease liabilities	447	-	-
Amounts payable to other government agencies	2	-	-
Total contractual financial liabilities	3,652	-	-
		-1%	+1%
2020			
Contractual financial assets			
Cash and deposits	5,914	(59)	59
Receivables			
Debtors	1,660	-	-
Total contractual financial assets	7,574	(59)	59
Contractual financial liabilities			
Payables			
Supplies and services	1,908	-	-
Accrued expense	985	-	-
Lease liabilities	615	-	-
Amounts payable to other government agencies	2	-	-
Total contractual financial liabilities	3,510	-	-

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

7 RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS (Cont'd)

Equity price risk

Exposure to equity-market risk arises only from the Library's indirect investments in equities quoted on the Australian Stock Exchange. The Library holds units of trusts invested in Australian and international equities in the growth and balanced funds managed by VFMC. The fund manager on behalf of the Library closely monitors performance and manages the equity-price risk through diversification of its investment portfolio, in accordance with the Library's investment policy. The Library recognises that market activity, particularly in equity markets, can give rise to significant volatility in the value of financial assets and this risk is accepted and managed within the objectives of the investment policy. The Library's exposure to losses from adverse price movements is not hedged. The carrying amount of equity investments recorded in the financial report represents the Library's maximum exposure to equity market risk.

	Carrying amount \$'000	-0.5% Net result \$'000	+0.5% Net result \$'000
2021			
Contractual financial assets			
Managed investment schemes and other financial contractual financial assets	23,417	(117)	117
Total contractual financial assets	23,417	(117)	117
2020		-1%	+1%
Contractual financial assets			
Managed investment schemes and other financial contractual financial assets	20,933	(209)	209
Total contractual financial assets	20,933	(209)	209

Foreign currency risk

Exposure to foreign-currency risk arises only through the Library'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.

7.2 Contingent assets and contingent liabilities

Contingent assets

As at 30 June 2020 and 2021, the Library has been pledged donations which are expected to be honoured in the future, although they are not legally enforceable. The Library has also been advised of a deceased estate in which it is a named beneficiary and expects to benefit once probate is granted, any other claims on the estate are settled, and net assets are realised and distributed to beneficiaries. The timing and value of these future economic flows are contingent on events beyond the Library's control.

Contingent liabilities

The Library settled a contingent liability related to a legal dispute disclosed in the previous reporting period. The Library has no further contingent liabilities.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

7 RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS (Cont'd)

7.3 Fair value determination

Significant judgement: fair value measurements of assets and liabilities

Fair value determination requires judgement and the use of assumptions. This section discloses the most significant assumptions used in determining fair values. Changes to assumptions could have a material impact on the results and financial position of the Library.

This section sets out information on how the Library determines fair value for financial reporting purposes. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The following assets and liabilities are carried at fair value:

- managed investment schemes and other financial assets
- land and buildings and equipment
- cultural assets.

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 Library 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 Library determines whether transfers have occurred between levels in the hierarchy by reassessing 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 Library, in conjunction with Valuer General Victoria (VGV) and other external independent valuers, monitors changes in the fair value of each asset and liability through relevant data sources to determine whether revaluation is required.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

7 RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS (Cont'd)

7.3.1 Fair value determination of financial assets and liabilities

The Library 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 cash flow analysis using unobservable market inputs.

The Library holds a range of financial instruments that are recorded in the financial statements where the carrying amounts approximate to fair value, due to their short-term nature or with the expectation that they will be paid in full by the end of the 2020–21 reporting period. These financial instruments include:

Financial assets		Financial liabilities	
Cash and deposits	Cash on hand Cash at bank Bank deposits at call	Payables	Supplies and services Accrued expenses Lease liabilities Amounts payable to other government agencies
Receivables	Debtors Accrued interest receivable		
Managed investment schemes and other financial assets	Externally managed unitised funds		

Financial assets measured at fair value

	Fair value measurement at 30 June	Carrying amount	Fair value	Carrying amount	Fair value
		2021	2021	2020	2020
	Level	\$'000	\$'000	\$'000	\$'000
Financial assets at fair value through net result					
Managed investment schemes	1	23,417	23,417	20,933	20,933

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

7 RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS (Cont'd)

7.3.2 Fair value determination of non-current physical assets

Restricted assets

The Library holds \$913.1m (2020: \$769.0m) in assets listed as heritage assets (land, buildings and collection). These heritage assets cannot be modified or disposed of without formal ministerial approval.

7.3.2 (a) Fair value measurement hierarchy of non-current physical assets

	Carrying amount as at 30 June 2021 \$'000	Fair value measurement at end of reporting period using:		
		Level 1 \$'000	Level 2 \$'000	Level 3 \$'000
2021				
Specialised land at fair value	235,400	-	-	235,400
Buildings at fair value				
Specialised buildings	26,100	-	-	26,100
Heritage buildings	349,455	-	-	349,455
Total buildings at fair value	375,555	-	-	375,555
Other assets at fair value				
Equipment at fair value	10,646	-	10,646	-
Cultural assets at fair value	449,968	-	40,849	409,119
Closing balance	1,071,569	-	51,495	1,020,074
2020				
Specialised land at fair value	132,992	-	-	132,992
Buildings at fair value				
Specialised buildings	7,450	-	-	7,450
Heritage buildings	356,024	-	-	356,024
Total buildings at fair value	363,474	-	-	363,474
Other assets at fair value				
Equipment at fair value	9,447	-	9,447	-
Cultural assets at fair value	402,771	-	43,824	358,947
Closing balance	908,683	-	53,271	855,413

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

7 RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS (Cont'd)

Cultural assets

For works of art and other collection items, valuation of the assets is determined by a comparison to similar examples of the artist's work in existence throughout Australia and/or research on prices paid for similar examples offered at auction or otherwise for sale in recent years.

During 2021, an independent valuation was performed to determine the fair value of the Collection. The valuation was performed in accordance with FRD103, as part of a five-year review. In line with this requirement, the Library and other cultural agencies confirmed material movements in the value of their Collections. An independent and comprehensive review of the Library's Collection was previously performed in 2016. Refer to Note 4.2 for further details.

Items donated to the Library's Collections were also included in the valuation. These items are normally valued by Library staff except where the donation has been externally valued under the requirements of the Cultural Gifts Program. To the extent that non-specialised artworks do not contain significant unobservable inputs, these assets are classified as Level 2 under the market approach.

Land

During 2021, a valuation of the Library's land was conducted using the market approach. The value of land is adjusted for the Community Service Obligation (30 per cent) to reflect the specialised nature of the land being valued. The valuation was performed by Valuer General Victoria (VGV) as at 30 June 2021. Refer to Note 4.1 for further details.

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.

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 is classified as a Level 3 asset.

Specialised buildings and heritage buildings

For the majority of the Library's buildings, the current 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 Library's buildings was performed by the VGV during the reporting period.

Refer to Note 4.1 for further details.

Leased assets

Vehicles are classified as equipment under lease, valued using the depreciated replacement cost method. The Library 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.

Equipment

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

There were no changes in valuation techniques or transfers between levels in the year ending 30 June 2021.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

7 RISKS, CONTINGENCIES AND VALUATION JUDGEMENTS (Cont'd)

7.3.2 (b) Reconciliation of Level 3 fair value

	Specialised land \$'000	Specialised buildings \$'000	Heritage buildings \$'000	Cultural assets \$'000
2021				
Opening balance	132,992	7,450	356,024	358,947
Additions	-	20,046	-	4,434
Revaluation	102,408	-	6,560	48,388
Depreciation	-	(1,395)	(13,129)	(2,650)
Closing balance	235,400	26,100	349,455	409,119
2020				
Opening balance	132,992	7,888	278,818	359,042
Additions	-	-	87,519	2,504
Depreciation	-	(438)	(10,313)	(2,599)
Closing balance	132,992	7,450	356,024	358,947

7.3.2 (c) Description of significant unobservable inputs to Level 3 valuations for 2021 and 2020

Asset	Valuation technique	Significant unobservable inputs
Specialised land	Market approach	Community Service Obligation (CSO) adjustment
Specialised buildings	Current replacement cost	Direct cost per square metre Useful life of specialised buildings
Heritage buildings	Current replacement cost	Direct cost per square metre Useful life of heritage buildings
Cultural assets	Market approach	Professional judgement Statistically verified random samples

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

8 OTHER DISCLOSURES

Introduction

This section includes additional material disclosures, required by accounting standards or otherwise, for the understanding of this financial report.

Structure

- 8.1 Significant and subsequent events
- 8.2 Other economic flows included in net result
- 8.3 Responsible persons
- 8.4 Remuneration of executives
- 8.5 Related party transactions
- 8.6 Remuneration of auditors
- 8.7 Equity and reserves
- 8.8 Ex-gratia expenses
- 8.9 Australian Accounting Standards issued that are not yet effective
- 8.10 Glossary

8.1 Significant and subsequent events

On 5 August 2021 the sixth Victorian lockdown in response to the COVID-19 pandemic was imposed and was subsequently extended on 16 August. The closure of the Library buildings due to the COVID-19 pandemic has reduced operating costs, however, following reopenings, costs increased in line with implementing COVIDSafe operations. The frequency, extent and impact of the lockdowns has created volatility and uncertainty. However, the Library has enhanced its capability and capacity to rapidly and safely adapt its operations from in-person to online services to accommodate the prevailing operating environment.

Overall, the Library anticipates that the current lockdown will not materially impact its ability to operate during the reporting period.

The Library is not aware of any other events occurring subsequent to 30 June 2021 that may have a material effect on the financial statements (2020: nil) or its going concern.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

8 OTHER DISCLOSURES (Cont'd)

8.2 Other economic flows included in net result

Other economic flows are changes in the volume or value of an asset or liability that do not result from transactions. Other gains/(losses) from other economic flows include the gains or losses from:

- net gain/(loss) on non-financial assets
- net gain/(loss) on financial instruments
- revaluation of the present value of the long-service leave liability due to changes in the bond interest rates, and
- changes to the fair value of managed investment schemes measured at fair value through net result.

	2021 \$'000	2020 \$'000
Net gain/(loss) on non-financial assets		
Net gain/(loss) in disposal of non-financial assets	(1)	-
Other gains/(losses) from other economic flows		
Gain/(loss) on revaluation of long-service leave liability due to changes in bond rates	61	81
Net loss on financial instruments		
Gain/(loss) on revaluation of managed investment schemes due to changes in market value	2,484	(852)
	2,544	(771)

8.3 Responsible persons

In accordance with the Ministerial Directions issued by the Assistant Treasurer under the *Financial Management Act 1994*, 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 Creative Industries	The Hon. Martin Foley MP	1 July 2020 to 29 September 2021
Minister for Creative Industries	The Hon. Danny Pearson MP	29 September 2020 to 30 June 2021
Chief Executive Officer	Kate Torney	1 July 2020 to 30 June 2021

Remuneration

Amounts relating to remuneration for the Minister for Creative Industries 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 \$430,000–439,999 (\$410,000–419,999 in 2020).

The names of Board members who have held office throughout the year unless otherwise stated are:

Mr John Wylie AM (President) (to 23 May 2021)	Ms Maxine McKew
Ms Christine Christian (Deputy President from 1 July 2020 to 24 May; President from 25 May 2021)	Ms Maria Myers AC
Ms Donata Carrazza	Ms Cheri Ong
Mr Adam Lewis	Mr Hugh Williams
	Ms Karen Wood

No member of the Board has received remuneration or retirements benefits during 2020–21 (2020: nil).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

8 OTHER DISCLOSURES (Cont'd)

8.4 Remuneration of executives

The number of executive officers, other than ministers and accountable officers, and their total remuneration during the reporting period are shown in the table below. Total annualised employee equivalents provide a measure of full-time equivalent executive officers over the reporting period.

Remuneration comprises employee benefits in all forms of consideration paid, payable or provided by the entity, or on behalf of the entity, in exchange for services rendered, and is disclosed in the following categories.

Short-term employee benefits include amounts such as wages, salaries, annual leave or sick leave that are usually paid or payable on a regular basis, as well as non-monetary benefits such as allowances and free or subsidised goods or services.

Post-employment benefits include pensions and other retirement benefits paid or payable on a discrete basis when employment has ceased.

Other long-term benefits include long-service leave, other long-service benefits or deferred compensation.

Termination benefits include termination of employment payments, such as severance packages.

During the reporting period, one executive officer resigned and has not been replaced. This has had an impact on the total remuneration for 2021.

	2021 \$'000	2020 \$'000
Remuneration of executive officers		
Short-term employee benefits	783	823
Post-employment benefits	73	80
Other long-term benefits	15	34
Termination benefits	-	-
Total remuneration	872	938
Total number of executives	4	4
Total annualised employee equivalents	3	4

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

8 OTHER DISCLOSURES (Cont'd)

8.5 Related party transactions

The Library is a wholly owned and controlled entity of the State of Victoria.

All related party transactions have been entered into on an arm's length basis.

Significant transactions with government-related entities

During the year, the Library had the following government-related entity transactions in excess of \$100,000 (GST excl.):

	2021 \$'000	2020 \$'000
Receipts		
Department of Education and Training – grant funding	1,608	1,500
DJPR – appropriation	48,459	41,909
DJPR – capital asset charge	43,359	43,357
DJPR – contributed capital for State Library Redevelopment	20	1,467
DJPR – COVIDSafe activities program	275	-
DJPR – within portfolio grants	793	426
Development Victoria – cost recoveries for State Library Redevelopment and BOSS2	118	854
Global Victoria – Future Founders Festival	450	-
Development Victoria – supplementary work Vision 2020	1,415	-
Treasury Corporation of Victoria – funds withdrawn	-	15,174
Payments		
Development Victoria – payments for State Library Redevelopment and BOSS2	-	20,494
Victorian Funds Management Corporation – funds invested	-	685
Treasury Corporation of Victoria – funds deposited	2,178	4,319
State Revenue Office – payroll tax paid	1,423	1,459

Key management personnel (KMPs) of the Library include the Minister for Creative Industries, members of the Library and the Executive team. The compensation detailed below excludes the salaries and benefits that the Minister for Creative Industries receives. The Minister's remuneration and allowances is set by the *Parliamentary Salaries and Superannuation Act 1968* and is reported within the Department of Parliamentary Service's Financial Report.

	2021 \$'000	2020 \$'000
Compensation of KMPs		
Short-term employee benefits	1,162	1,188
Post-employment benefits	109	113
Other long-term benefits	28	49
Termination benefits	-	-
Total ^(a)	1,300	1,351

Note:

(a) KMPs include the Accountable Officer and persons who meet the definition of executive officers under FRD 21C. Executive officers are also reported in the disclosure of remuneration of executives (Note 8.4).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

8 OTHER DISCLOSURES (Cont'd)

Transactions with key management personnel and other related parties

A number of the Library's Board members hold or have held positions in other companies where it is considered they control or significantly influence the financial or operating policies of these entities.

Christine Christian is a former non-executive director of the Victorian Managed Insurance Authority (VMIA). VMIA is the mandated insurer for Victorian government agencies to which the Library paid insurance premiums of \$579,218 in 2020-21 (2020: \$684,700), exclusive of GST and stamp duty.

In 2020-21, cash donations totalling \$890,500 (2020: \$357,100) were received from Board members and their related parties. Independent scrutiny of the proposed donations was conducted by the Library's Audit and Risk Management Committee with advice of a respected independent expert.

8.6 Remuneration of auditors

	2021 \$'000	2020 \$'000
Fees paid and payable to the Victorian Auditor-General's Office for auditing the financial statements.	41	41

The Auditor-General provided no other services to the Library.

8.7 Equity and reserves

8.7.1 Contribution by owners

Additions to net assets which have been designated as contributions by owners (the State of Victoria) are recognised as contributed capital.

Other transfers that are in the nature of contributions have also been designated as contributions by owners.

	Notes	2021 \$'000	2020 \$'000
Contributed capital			
Balance at the beginning of the year		646,521	645,054
Equity contribution from government		20	1,467
Balance at the end of the year		646,541	646,521

8.7.2 Accumulated surplus/(deficit)

Represents the cumulative net result from the current year and all prior years.

	Notes	2021 \$'000	2020 \$'000
Accumulated surplus			
Balance at the beginning of the year		(27,376)	(24,900)
Net result for the year		(3,771)	(4,809)
Net transfer (to)/from donations and bequests reserve	8.7.3	(798)	309
Net transfer (to)/from specific purpose grants reserve	8.7.4	(5,606)	2,023
Balance at the end of the year		(37,551)	(27,376)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

8 OTHER DISCLOSURES (Cont'd)

8.7.3 Donations and bequests reserve

Represents the balance of donations and bequests which have been received to be applied to specific purposes and is unexpended at 30 June 2021.

	Notes	2021 \$'000	2020 \$'000
Donation and bequests reserve			
Balance at the beginning of the year		10,936	11,245
Net transfer (to)/from accumulated surplus	8.7.2	798	(309)
Balance at the end of the year		11,374	10,936

8.7.4 Specific purpose grants reserve

Represents the balance of funds received from external organisations to be applied to specific purpose and is unexpended at 30 June 2021.

	Notes	2021 \$'000	2020 \$'000
Specific purpose grants reserve			
Balance at the beginning of the year		856	2,879
Net transfer (to)/from accumulated surplus	8.7.2	5,606	(2,023)
Balance at the end of the year		6,462	856

8.7.5 Physical and cultural assets revaluation surplus

Represents changes from the revaluation of land, buildings and cultural assets.

	Notes	2021 \$'000	2020 \$'000
Physical and cultural assets revaluation surplus			
Balance at the beginning of the year		314,980	314,980
Net transfer (to)/from accumulated surplus		154,381	-
Balance at the end of the year		469,361	314,980

8.8 Ex-gratia expenses

There were no ex-gratia expenses in aggregate or individually in excess of \$5,000 (2020: nil).

8.9 Australian Accounting Standards issued that are not yet effective

Certain new and revised accounting standards have been issued but are not effective for the 2020-21 reporting period.

These accounting standards have not been applied to the Model Financial Statements. The State is reviewing its existing policies and assessing the potential implications of these accounting standards which include:

AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-Current

This standard amends AASB 101 to clarify requirements for the presentation of liabilities in the statement of financial position as current or non-current. It is initially applied to annual reporting periods beginning on or after 1 January 2022 with earlier application permitted however the AASB recently issued AASB 2020-1 Amendments to Australian Accounting Standards – Classification of Liabilities as Current or Non-current – Deferral of Effective Date to defer the application by one year to periods beginning on or after 1 January 2023. The Library will not early-adopt the Standard.

The Library is in the process of analysing the impacts of this Standard. However, it is not anticipated to have a material impact.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

8 OTHER DISCLOSURES (Cont'd)

8.10 Glossary

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 another economic flow.

Bequests/Donations (endowed) and Bequests/Donations (non-endowed)

Bequests/Donations (endowed) are where the capital of the bequest must be preserved in perpetuity but where interest can be spent in accordance with donor conditions. Bequests/Donations (non-endowed) are where capital can be expended in full in accordance with conditions.

BOSS

Ballarat Offsite Storage. The building is on land owned by Federation University. BOSS2 refers to the building of a second facility at Ballarat, construction of which commenced in 2017–18.

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.

Corpus

The Library's permanent fund that is preserved in perpetuity and generates funds to support the Library's long-term sustainability. It excludes bequests for a specific purpose where capital must be preserved.

CSO

Community Service Obligation

CV

Creative Victoria

DJPR

Department of Jobs, Precincts and Regions

DPC

Department of Premier and Cabinet

DTF

Department of Treasury and Finance

DV

Development Victoria

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.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

8 OTHER DISCLOSURES (Cont'd)

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 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 paragraph 41 of AASB 101.

FMA

Financial Management Act 1994

FVOCI

Fair Value through Other Comprehensive Income

FVTNR

Fair Value through Net Result

FVTPL

Fair Value through Profit/Loss

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).

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 managed investment schemes, and any other interest received.

KMP

Key management personnel

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

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 30 JUNE 2021

8 OTHER DISCLOSURES (Cont'd)

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'. They include 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. They include gains and losses from disposals, revaluations and impairments of non-financial physical and intangible assets and 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.

SLV

State Library Victoria, registered business name of the Library Board of Victoria

Supplies and services

Generally, represents cost of goods sold and the day-to-day running costs, including maintenance costs, incurred in the normal operations of the Library.

TCV

Treasury Corporation of Victoria

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.

VFMC

Victorian Funds Management Corporation

Disclosure index

The annual report of the Library is prepared in accordance with all relevant Victorian legislations and pronouncements. This index has been prepared to facilitate identification of compliance with statutory disclosure requirements.

Legislation	Requirement	Page
Standing directions and financial reporting directions		
<i>Charter and purpose</i>		
FRD 22I	Manner of establishment and the relevant Minister	38
FRD 22I	Purpose, functions, powers and duties	38
FRD 22I	Key initiatives and projects	11
FRD 22I	Nature and range of services provided	11
<i>Management and structure</i>		
FRD 22I	Organisational structure	43
<i>Financial and other information</i>		
FRD 8D	Performance against output measures	33
FRD 10A	Disclosure index	117
FRD 12B	Disclosure of major contracts	56
FRD 15E	Executive officer disclosures	110
FRD 22I	Employment and conduct principles	46
FRD 22I	Occupational health and safety policy	44
FRD 22I	Summary of financial results for the year	30
FRD 22I	Significant changes in financial position during the year	31
FRD 22I	Major changes or factors affecting performance	33
FRD 22I	Subsequent events	108
FRD 22I	Application and operation of <i>Freedom of Information Act 1982</i>	52
FRD 22I	Compliance with building and maintenance provisions of <i>Building Act 1993</i>	54
FRD 22I	Statement on Competitive Neutrality Policy	55
FRD 22I	Application and operation of <i>Public Interest Disclosures Act 2012</i>	54
FRD 22I	Application and operation of <i>Carers Recognition Act 2012</i>	14
FRD 22I	Details of consultancies under \$10,000	57
FRD 22I	Details of consultancies over \$10,000	57
FRD 22I	Disclosure of government advertising expenditure	56
FRD 22I	Disclosure of ICT expenditure	18
FRD 22I	Statement of availability of additional information	52
FRD 24D	Reporting on office-based environmental impacts	50
FRD 25D	Local Jobs First	55
FRD 29C	Workforce data	47
SD 5.2	Specific requirements under Standing Direction 5.2	61
SD 5.1.4	Financial management compliance attestation	60

DISCLOSURE INDEX (Cont'd)

<i>Declaration – report of operations</i>	
SD 5.2.3 Declaration in report of operations	3
<i>Declaration – financial statements</i>	
SD 5.2.2 Declaration in financial statements	61
<i>Other requirements under Standing Directions 5.2</i>	
SD 5.2.1(a) Compliance with Australian accounting standards and other authoritative pronouncements	69
SD 5.2.1(a) Compliance with Standing Directions	61
<i>Other disclosures as required by FRDs in notes to the financial statements</i>	
FRD 11A Disclosure of ex-gratia expenses	113
FRD 13 Disclosure of Parliamentary appropriations	70
FRD 21C Disclosures of responsible persons, executive officers and other personnel (contractors with significant management responsibilities) in the financial report	109
FRD 103H Nonfinancial physical assets	78
FRD 110A Cash flow statements	66
FRD 112D Defined benefit superannuation obligations	76
FRD 114C Financial instruments – general government entities and public non-financial corporations	92
Legislation	
<i>Libraries Act 1988</i>	38
<i>Building Act 1993</i>	54
<i>Carers Recognition Act 2012</i>	14
<i>Disability Act 2006</i>	14
<i>Freedom of Information Act 1982</i>	52
<i>Financial Management Act 1994</i>	62
<i>Multicultural Victoria Act 2011</i>	13
<i>Public Interest Disclosures Act 2012</i>	54
<i>Local Jobs First Act 2003</i>	55

