

**NATIONAL LIBRARY
OF AUSTRALIA**

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NATIONAL LIBRARY OF AUSTRALIA

Section 1: Overview, appropriations and budget measures summary

OVERVIEW

The National Library of Australia is a statutory authority established under the *National Library Act 1960*. The functions of the National Library are defined in the *Act*:

- To maintain and develop a national collection of library material, including a comprehensive collection of library material relating to Australia and the Australian people;
- To make library material in the national collection available;
- To make available such other services in relation to library matters and library material as determined by the National Library Council; and
- To cooperate in library matters with authorities or persons, whether in Australia or elsewhere, concerned with library matters.

APPROPRIATIONS

The total appropriations for the National Library in the 2001-2002 budget is \$207.699 million, including an equity injection of \$1.03m.

Table 1.1: Appropriations And Other Revenue (\$'000)

Outcome	Departmental (price of outputs)					Administered				
	Revenue from Government (appropriations)			Revenue from other sources ⁽³⁾	Price of outputs ⁽²⁾	Annual appropriations		Special approps	Total administered appropriations	Total appropriations
	Bill No. 1	Special approps	Total			Bill No. 1	Bill No. 2 (SPPs & NAOs) ⁽¹⁾			
	(A)	(B)	(C = A+B)	(D)	(E = C+D)	(F)	(G)	(H)	(I = F+G+H)	(J=C+I)
1. Australians have access, through the National Library of Australia, to a comprehensive collection of Australian library material and to international documentary resources	206,669	-	206,669	13,626	220,295	-	-	-	-	206,669
					93.8% ⁽⁴⁾					
Total	206,669	-	206,669	13,626	220,295	-	-	-	-	206,669
						Departmental capital (equity injections and loans)				1,030
						Administered capital				-
						Total appropriations				207,699

- Under the appropriation structure, Bill No. 2 includes Specific Purpose Payments (SPP's), New Agency Outcomes (NAO's), administered capital and departmental capital via departmental injections and loans.
- Refer to Budgeted Statement of Financial Performance (Operating Statement) for application of agency revenue.
- Revenue from other sources includes other revenue from government (eg resources free of charge) and revenue from other sources. Non-appropriated departmental and administered revenues are shown in Appendix 1.
- Percentage figure indicates the percentage contribution of Revenue from Government (Departmental Appropriations) to the Total Price of Outputs.

ADMINISTERED CAPITAL AND DEPARTMENTAL EQUITY INJECTIONS AND LOANS

The National Library will receive an equity injection of \$1.03 million as indicated in Table 1.1 and accounted for in the Capital Budget and Appropriation Bill Number 2, 2001-2002. The Equity Injection will be supplemented by \$8.314 million from internal Library resources and will be used to purchase Library collections and undertake building works.

Section 2: Outcomes and outputs information

OUTCOMES AND OUTPUT GROUPS

The charts on the following pages show the relationship between outcomes and the contributing outputs for the National Library. Financial details for Outcome 1 by outputs appear in table 2.1.1. Non-financial information for Outcome 1 appears in table 2.2.1.

Chart 1: Outcome Structure

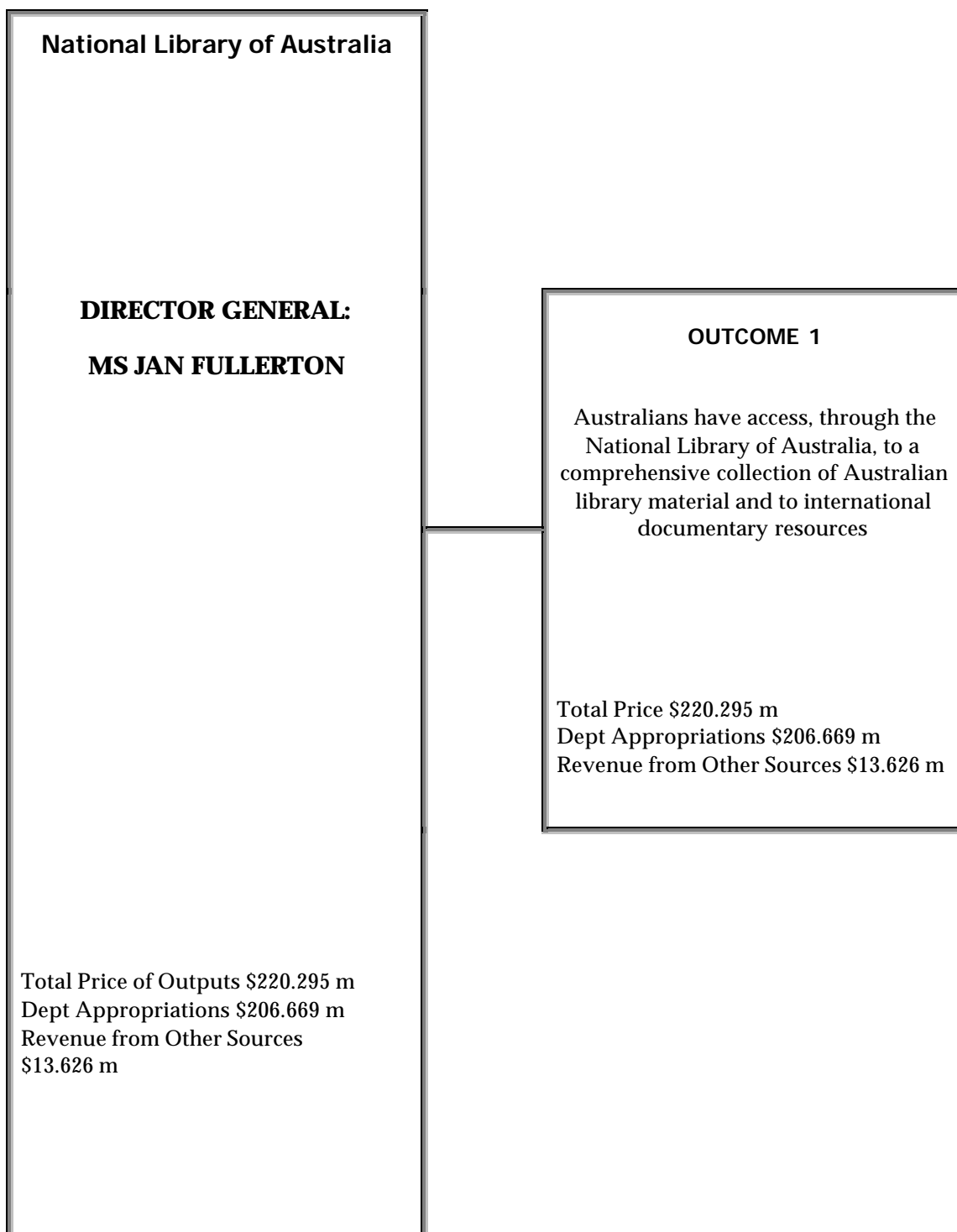
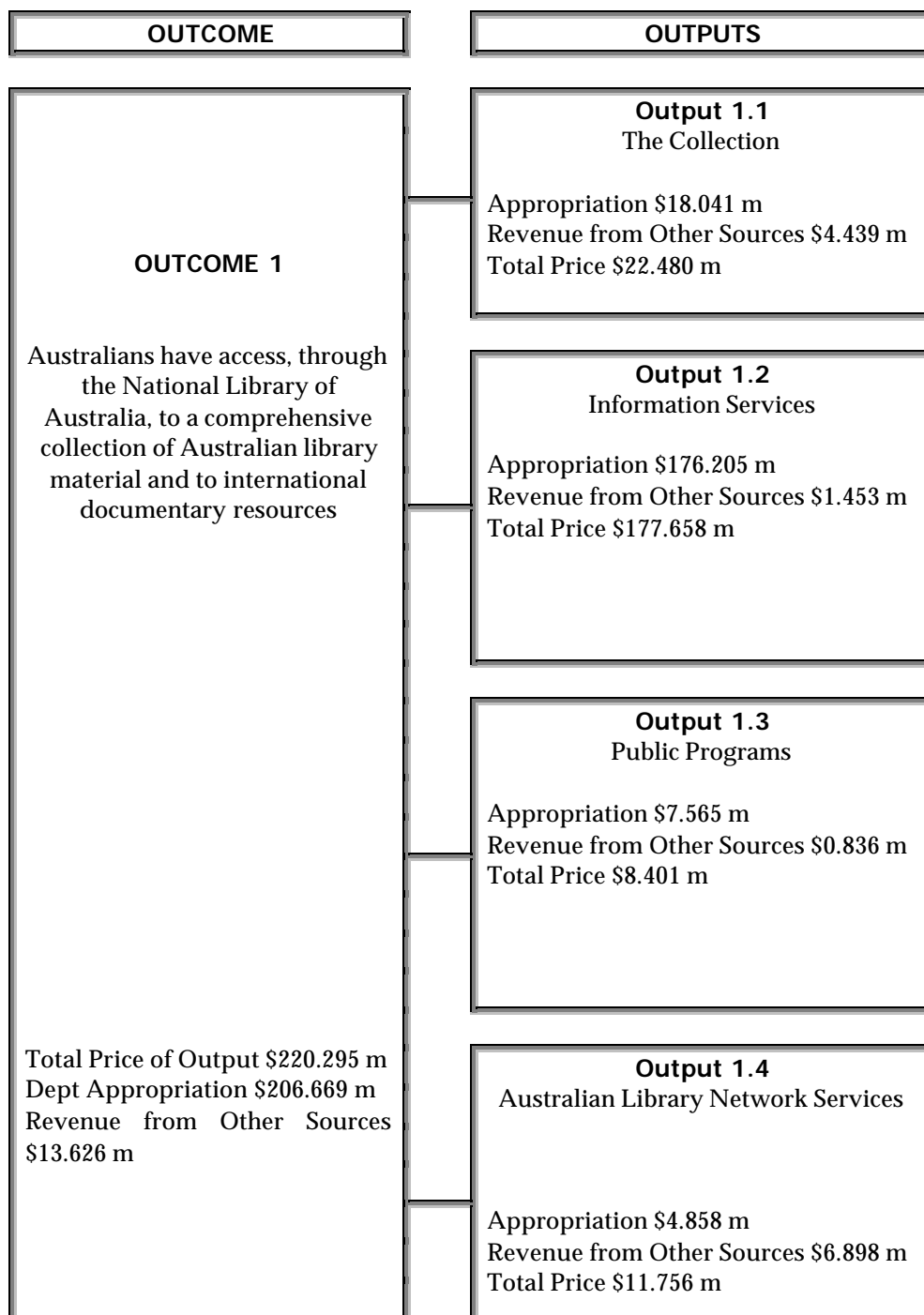


Chart 2: Outcome 1 — Contributing Outputs



Note: Revenue from Government (Appropriations) contributes 93.8 per cent to the Total Price of Output for Outcome 1 for 2001-02.

CHANGES TO OUTCOMES AND OUTPUTS

The Library has adjusted the number of outputs from seven to four. The adjustment to the number of Outputs and the detail of the performance measures has been made to a more appropriate level for an authority of the National Library's size.

The changes to the Output structure are as follows:

- Output 1.1 The Collection reflects the former Output Group 1.1 The Collection and amalgamates the former Output 1.1.1. Collection Development and Description and Output 1.1.2. Collection Maintenance.
- Output 1.2 Information Services reflects the former Output Group 1.2 Information Services and amalgamates the former Output 1.2.1. Reference Services and 1.2.2 Collection Delivery.
- Output 1.3 Public Programs reflects the former output 1.2.3 Public Programs.
- Output 1.4 Australian Library Network Services reflects the former Output 1.3.1 Resource Sharing Services, which together with the former 1.3.2 Collaborative Library Projects formed the former Output Group 1.3 Australian Library Network.
- The former Output 1.3.2 Collaborative Library Projects is eliminated as a stand-alone output as collaboration is an integral part of all Library activity and has been attributed across the new outputs.

Outcome 1 - Australians have access, through the National Library of Australia, to a comprehensive collection of Australian library material and to international documentary resources.

Safeguarding the national collection of documentary materials, and ensuring access to global information resources are major aims of Government. The main focus of the National Library of Australia is:

- To collect, organize and maintain, for current and future use, a comprehensive collection of Australian library material and a selection of non-Australian library material supporting the study of Australia and its place in the world;
- To provide access to and information services from its collection and other documentary resources, including through public programs; and
- To provide services that support resource sharing among Australian libraries.

Measures affecting Outcome 1

There are no Budget Measures affecting Outcome 1.

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OUTCOME 1 — RESOURCING

Table 2.1.1: Total resources for Outcome 1 (\$'000)

	Estimated actual 2000-01 \$'000	Budget estimate 2001-2002 \$'000
Administered appropriations		
The Library has no administered expenses	-	-
	-	-
Total administered appropriations		
Departmental appropriations		
Output 1.1 - The Collection	18,505	18,041
Output 1.2 - Information Services	187,914	176,205
Output 1.3 - Public Programs	6,298	7,565
Output 1.4 - Australian Library Network Services	2,856	4,858
Total revenue from government (appropriations)	215,573	206,669
Contributing to price of departmental outputs	91.7%	93.8%
Revenue from other sources		
Output 1.1 - The Collection	6,673	4,439
Output 1.2 - Information Services	2,926	1,453
Output 1.3 - Public Programs	1,818	836
Output 1.4 - Australian Library Network Services	8,103	6,898
Total revenue from other sources	19,520	13,626
Total price from departmental outputs <i>(Total revenue from Government and from other sources)</i>	235,093	220,295
Total estimated resourcing for outcome 1 <i>(Total price of outputs and admin expenses)</i>	235,093	220,295
	2000-01	2001-02
Average staffing level (number)	532	516

OUTCOME 1 — CONTRIBUTION OF OUTPUTS

Table 2.2.1 Performance Information for Outcome 1

Effectiveness - Overall achievement of the outcome -	
Appropriate and effective collecting	Collect all current Australian publications that fall within the Library's Collection Development Policy - Target 85%.
Effective access to the collection	Increased access to the collection through the National Bibliographic Database - Target: catalogue records added for 100% of new items and 100% of targeted older material (equivalent to 81,000 catalogued records).
Requests for collection items are met	Quality: 85% met.
Community interest in and awareness of the Library	A cross section of Library users rate Public Programs as successful in achieving improved access to the Library and its collections - Target 90%.
Usage of resource sharing services	Key research libraries use and contribute to the Kinetica Service - Target 90%.

Performance information for departmental outputs	
Output 1.1 - The Collection	Quality: 95% of collection checked in, catalogued, indexed and preserved and 85% maintained, within set standards and specified timeframes.
	Quantity: 5,287,000 collection items maintained; and 453,000 collection items acquired and or processed.
	Price: \$0.61 per collection item maintained; and \$42.50 per collection items acquired and or processed.
Output 1.2 - Information Services	Quality: 90% of users satisfied with the information services and 90% of information services delivered within service standards.
	Quantity: 1,142,000 information services transactions.
	Price: \$155.57 with CUC (\$16.93 without CUC) per information service transaction
Output 1.3 - Public Programs	Quality: 90% of visitors and or participants in Public Programs are satisfied.
	Quantity: 840,000 visitors and participants in Public Programs.
	Price: \$10.00 per visitor or participant in Public

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	Programs.
Output 1.4 - Australian Library Network Services	<p>Quality: 98% of resource sharing services delivered within set standards and specified time frames and 80% of Kinetica customer libraries are satisfied with the quality of resource sharing services.</p> <p>Quantity: 7.36 million searches or user sessions on resource sharing.</p> <p>Price: \$1.60 per search on resource sharing databases.</p>

Evaluations

Internal audits and evaluations are conducted on a continuing basis within the National Library. They are reviewed by the Library's Audit Committee, which is a committee of the Library Council. Surveys assessing user and stakeholder satisfaction, and performance against Service Charter standards are conducted on a periodic basis.

Competitive tendering and contracting

The Library has progressively contracted out functions, on a competitive basis. Performance under these contracts is reviewed continuously. Functions outsourced include Kinetica hardware and software support (part of Output 1.4), warehousing (part of Output 1.2), National Film and Video Lending Services (part of Outputs 1.1 and 1.2), security, building maintenance and cleaning, internal audit and legal services, photocopying and fax services, food services, mail room, project management for building works and other services.

The Library will continue to investigate the cost effectiveness of further outsourcing of element of information technology infrastructure.

Section 3: Budgeted Financial Statements

DEPARTMENTAL STATEMENTS

Budgeted Departmental Statement of Financial Performance (Operating Statement)

This statement provides a picture of the expected financial results for the Library by identifying full accrual expenses, accrual revenues and capital use charge, which highlights whether the Library is operating at a sustainable level.

Budgeted Departmental Statement of Financial Position (Balance Sheet)

This statement shows the financial position of the Library. It helps decision-makers to track the management of the Library's assets and liabilities.

Budgeted Departmental Statement of Cash Flows

Budgeted cash flows, as reflected in the statement of cash flows, provides important information on the extent and nature of cash flows by categorising them into expected cash flows from operating activities, investing activities and financing activities.

Departmental Capital Budget Statement

Shows all planned departmental capital expenditure (capital expenditure on non financial assets), whether funded either through capital appropriations for additional equity or borrowings, or from funds from internal sources.

Departmental Non-financial Assets – Summary of Movement

Shows budgeted acquisitions and disposals of non-financial assets during the budget year.

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**Table 3.1: Budgeted Departmental Statement of Financial Performance
(Operating Statement) for the period ended 30 June**

	Estimated actual 2000-01 \$'000	Budget estimate 2001-02 \$'000	Forward estimate 2002-03 \$'000	Forward estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000
Revenues from ordinary activities					
Revenue from government	215,573	206,669	206,690	206,716	207,235
Sales of goods and services	9,342	9,344	9,344	9,344	9,344
Interest	6,040	203	203	203	203
Dividends					
Net gains from sales of assets					
Other	4,138	4,079	4,079	4,079	4,079
Total revenues from ordinary activities	235,093	220,295	220,316	220,342	220,861
Expenses from ordinary activities (excluding borrowing costs expense)					
Employees	27,146	27,211	27,111	27,111	27,111
Suppliers	23,007	23,559	23,465	23,470	23,083
Grants	160	160	160	160	160
Depreciation and amortisation	6,081	6,204	6,404	6,604	6,804
Write down of assets	74	-	-	-	-
Total expenses from ordinary activities (excluding borrowing costs expense)	56,468	57,134	57,140	57,345	57,158
Net surplus or deficit from ordinary activities	178,625	163,161	163,176	162,997	163,703
Gain or loss on extraordinary items	-	-	-	-	-
Net surplus or deficit	178,625	163,161	163,176	162,997	163,703
Capital use charge	(177,271)	(162,448)	(162,620)	(162,756)	(162,958)
Net surplus or deficit after capital use charge	1,354	713	556	241	745

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**Table 3.2: Budgeted Departmental Statement of Financial Position
(Balance Sheet) as at 30 June**

	Estimated actual 2000-01 \$'000	Budget estimate 2001-02 \$'000	Forward estimate 2002-03 \$'000	Forward estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000
ASSETS					
Financial assets					
Cash	6,827	5,778	4,763	3,645	3,213
Receivables	640	564	564	564	564
Accrued revenues	1,345	1,345	1,345	1,345	1,345
Total financial assets	8,812	7,687	6,672	5,554	5,122
Non-financial assets					
Land and buildings	133,551	133,551	133,501	133,401	133,251
Infrastructure, plant and equipment	1,338,400	1,341,872	1,345,194	1,348,466	1,351,688
Inventories	683	683	683	683	683
Intangibles	3,824	3,492	3,060	2,528	1,896
Other	1,423	1,423	1,423	1,423	1,423
Total non-financial assets	1,477,881	1,481,021	1,483,861	1,486,501	1,488,941
Total assets	1,486,693	1,488,708	1,490,533	1,492,055	1,494,063
LIABILITIES					
Provisions and payables					
Employees	8,608	8,860	9,107	9,357	9,607
Suppliers	1,196	1,216	1,208	1,209	1,192
Other	241	241	241	241	241
Total provisions and payables	10,045	10,317	10,556	10,807	11,040
Total liabilities	10,045	10,317	10,556	10,807	11,040
EQUITY					
Capital	2,060	3,090	4,120	5,150	6,180
Reserves	108,219	108,219	108,219	108,219	108,219
Accumulated surpluses or deficits	1,366,369	1,367,082	1,367,638	1,367,879	1,368,624
Total equity	1,476,648	1,478,391	1,479,977	1,481,248	1,483,023
Current liabilities	4,708	4,824	4,910	5,006	5,084
Non-current liabilities	5,337	5,493	5,646	5,801	5,956
Current assets	10,918	9,793	8,778	7,660	7,228
Non-current assets	1,475,775	1,478,915	1,481,755	1,484,395	1,486,835

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**Table 3.3: Budgeted Departmental Statement of Cash Flows
for the period ended 30 June**

	Estimated actual 2000-01 \$'000	Budget estimate 2001-02 \$'000	Forward estimate 2002-03 \$'000	Forward estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations for outputs	215,573	206,669	206,690	206,716	207,235
Sales of goods and services	9,037	9,420	9,344	9,344	9,344
Interest	6,040	203	203	203	203
Other	241	210	210	210	210
Total cash received	230,891	216,502	216,447	216,473	216,992
Cash used					
Employees	26,883	26,959	26,864	26,861	26,861
Suppliers	20,665	21,164	21,098	21,094	20,725
Grants	160	160	160	160	160
Total cash used	47,708	48,283	48,122	48,115	47,746
Net cash from operating activities	183,183	168,219	168,325	168,358	169,246
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	-	-	-	-	-
Total cash received	-	-	-	-	-
Cash used					
Purchase of property, plant and equipment	7,918	7,850	7,750	7,750	7,750
Total cash used	7,918	7,850	7,750	7,750	7,750
Net cash from investing activities	(7,918)	(7,850)	(7,750)	(7,750)	(7,750)
FINANCIAL ACTIVITIES					
Cash received					
Other - Equity Injection	1,030	1,030	1,030	1,030	1,030
Total cash received	1,030	1,030	1,030	1,030	1,030
Cash used					
Capital use and dividends paid	177,296	162,448	162,620	162,756	162,958
Total cash used	177,296	162,448	162,620	162,756	162,958
Net cash from financing activities	(176,266)	(161,418)	(161,590)	(161,726)	(161,928)
Net increase in cash held	(1,001)	(1,049)	(1,015)	(1,118)	(432)
Cash at the beginning of the reporting period	7,828	6,827	5,778	4,763	3,645
Cash at the end of the reporting period	6,827	5,778	4,763	3,645	3,213

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Table 3.4: Departmental Capital Budget Statement

	Estimated actual 2000-01 \$'000	Budget estimate 2001-02 \$'000	Forward estimate 2002-03 \$'000	Forward estimate 2003-04 \$'000	Forward estimate 2004-05 \$'000
CAPITAL APPROPRIATIONS					
Total equity injections	1,030	1,030	1,030	1,030	1,030
Represented by:					
Purchase of non-current assets	1,030	1,030	1,030	1,030	1,030
Other	-	-	-	-	-
Total	1,030	1,030	1,030	1,030	1,030
PURCHASE OF NON-CURRENT ASSETS					
Funded by capital appropriations	1,030	1,030	1,030	1,030	1,030
Funded internally by Departmental resources	8,382	8,314	8,214	8,214	8,214
Total	9,412	9,344	9,244	9,244	9,244

Table 3.5: Departmental Non-financial Assets — Summary of Movement (Budget Year 2001-02)

	Land	Buildings	Total Land and Buildings	Infrastructure Plant and Equipment	Intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
GROSS VALUE						
<i>As at 1 July 2001 (opening)</i>	6,500	173,286	179,786	1,345,280	6,610	1,531,676
Additions	-	1,968	1,968	6,356	1,020	9,344
Disposals	-	-	-	-	-	-
Other movements	-	-	-	-	-	-
<i>As at 30 June 2002 (closing)</i>	6,500	175,254	181,754	1,351,636	7,630	1,541,020
ACCUMULATED DEPRECIATION						
<i>As at 1 July 2001 (opening)</i>	-	46,235	46,235	6,880	2,786	55,901
Disposals	-	-	-	-	-	-
Charge for the reporting period	-	1,968	1,968	2,884	1,352	6,204
Other movements	-	-	-	-	-	-
<i>As at 30 June 2002 (closing)</i>	-	48,203	48,203	9,764	4,138	62,105
Net book value						
As at 30 June 2002 (closing book value)	6,500	127,051	133,551	1,341,872	3,492	1,478,915
Net book value						
as at 1 July 2001 (opening book value)	6,500	127,051	133,551	1,338,400	3,824	1,475,775
TOTAL ADDITIONS						
Self funded	-	1,968	1,968	5,326	1,020	8,314
Appropriations	-	-	-	1,030	-	1,030
Total	-	1,968	1,968	6,356	1,020	9,344

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NOTES TO THE FINANCIAL STATEMENTS

Departmental

Under the Commonwealth's accrual budgeting framework, and consistent with Australian Accounting Standards, transactions that agencies control (Departmental transactions) are separately budgeted for and reported on from transactions agencies do not have control over (Administered transactions). This ensures that agencies are only held fully accountable for the transactions over which they have control. The National Library does not have any Administered transactions.

Appropriations in the Accrual Budgeting Framework

Under the Commonwealth's accrual budgeting framework, separate annual appropriations are provided for:

- Departmental price of outputs appropriations: representing the Government's purchase of outputs from agencies,
- Departmental capital appropriations: for investments by the Government for either additional equity or loans in agencies,
- Administered expense appropriations: for the estimated Administered expenses relating to an existing outcome, a new outcome or a Specific Purpose Payment to the states; and
- Administered capital appropriations: for increases in Administered equity through funding non-expense Administered payments.

Special appropriations continue under the accrual appropriation framework, and fund the majority of payments from the Consolidated Revenue Fund.

Capital-Use Charge

A Capital-Use Charge is levied on agencies and authorities to reflect the cost of the Commonwealth's investment in those entities. It is levied on those agencies closing Departmental net assets (equity) at a rate of 11 per cent.

Funding for the Capital-Use Charge is included in agencies and authorities Departmental price of outputs appropriations. The Capital-Use Charge is accounted for as a 'below Operating Result line' dividend payment.

Asset valuation

Commonwealth agencies and authorities are required to value Property, Plant & Equipment and other Infrastructure assets using the deprival method of valuation. This essentially reflects the current cost the entity would face in replacing that asset.

Funding for Acquisitions

The following table indicates the resourcing for the acquisition of collection material. It has been estimated that collection material to the value of \$3.869 million will be received at no cost to the Library primarily through legal deposit arrangements.

Type	Amount	Source of Funding
Subscriptions (e.g. Journals, magazines and newspapers)	\$2.032m	Appropriations
Subscriptions (e.g. Journals, magazines and newspapers)	\$2.375m	Legal deposit / gratis
Book Collections	\$2.707m	Appropriations
Book Collections	\$1.494m	Legal deposit / gratis
Special Collections (e.g. Manuscripts, film & video, pictorial, oral history, map and music collections)	\$1.030m	Appropriations - Equity Injections
Total Funding	\$9.638m	

Significant Variations

Significant variations within the budgeted financial statements are identified with a note and the following explanatory information is provided:

Note 1 - Revenues from Government

The decrease in appropriation reflects the reduction in the rate of Capital Use Charge from 12% in 2000 - 01 to 11% in 2001 - 02. The lower rate requires less funding to meet the charge and therefore the appropriation has reduced by approximately \$14.6million. See also note 2 below.

Note 2 - Interest

The Library will not have the ability to invest the Capital Use Charge funds during 2001 - 02 resulting in a reduction in the interest estimate. The Library's appropriation has been increased to supplement the Library for this loss of interest by approximately \$4.7m.

Note 3 - Equity Injections

Under the accrual budgeting framework, entities are funded for the replacement of assets through a process of depreciation. The depreciation expense forms part of the cost to provide services. As only a part of the National Library's collections is depreciated the mechanism to receive funding under the accrual budgeting framework for collections that are not depreciated is through an Equity Injection.

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Appendix 1

Non-Appropriation Departmental Revenue

	Estimated Revenue 2000-01 \$'000	Estimated Revenue 2001-02 \$'000
Departmental Revenue		
Sales of goods and services	9,342	9,344
Interest	6,040	203
Other non-appropriation revenue	4,138	4,079
Total Non-Appropriation departmental revenue	19,520	13,626