



National Library of Ireland

Leabharlann Náisiúnta na hÉireann

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Financial Statements for the year ended

31<sup>st</sup> December 2009

**National Library of Ireland**  
**Financial Statements for the year ended 31 December 2009**

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## **BOARD OF THE NATIONAL LIBRARY OF IRELAND**

### **Report of the Comptroller and Auditor General for presentation to the Houses of the Oireachtas**

I have audited the financial statements of the Board of the National Library of Ireland for the year ended 31 December 2009 under the National Cultural Institutions Act 1997.

The financial statements, which have been prepared under the accounting policies set out therein, comprise the Accounting Policies, the Income and Expenditure Account, the Statement of Total Recognised Gains and Losses, the Balance Sheet, the Cash Flow Statement and the related notes.

#### **Respective Responsibilities of the Members of the Board and the Comptroller and Auditor General**

The Board is responsible for preparing the financial statements in accordance with the National Cultural Institutions Act 1997, and for ensuring the regularity of transactions. The Board prepares the financial statements in accordance with Generally Accepted Accounting Practice in Ireland. The accounting responsibilities of the Members of the Board are set out in the Statement of Responsibilities of the Board.

My responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland).

I report my opinion as to whether the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland. I also report whether in my opinion proper books of account have been kept. In addition, I state whether the financial statements are in agreement with the books of account.

I report any material instance where moneys have not been applied for the purposes intended or where the transactions do not conform to the authorities governing them.

I also report if I have not obtained all the information and explanations necessary for the purposes of my audit.

I review whether the Statement on Internal Financial Control reflects the Board's compliance with the Code of Practice for the Governance of State Bodies and report any material instance where it does not do so, or if the statement is misleading or inconsistent with other information of which I am aware from my audit of the financial statements. I am not required to consider whether the Statement on Internal Financial Control covers all financial risks and controls, or to form an opinion on the effectiveness of the risk and control procedures.

I read other information contained in the Annual Report, and consider whether it is consistent with the audited financial statements. I consider the implications for my report if I become aware of any apparent misstatements or material inconsistencies with the financial statements.

### **Basis of Audit Opinion**

In the exercise of my function as Comptroller and Auditor General, I conducted my audit of the financial statements in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board and by reference to the special considerations which attach to State bodies in relation to their management and operation. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures and regularity of the financial transactions included in the financial statements. It also includes an assessment of the significant estimates and judgments made in the preparation of the financial statements, and of whether the accounting policies are appropriate to the Board's circumstances, consistently applied and adequately disclosed.

I planned and performed my audit so as to obtain all the information and explanations that I considered necessary in order to provide me with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming my opinion I also evaluated the overall adequacy of the presentation of information in the financial statements.

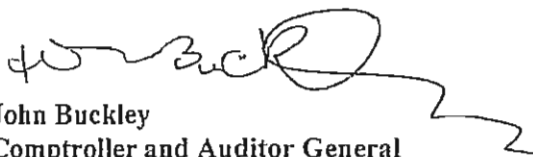
### *Emphasis of Matter – Non-effective Expenditure*

Without qualifying my opinion, I draw attention to Note 8 of the financial statements which discloses the fact that non-effective expenditure of €97,867 had been incurred by the National Library of Ireland up to 31 December 2009. The non-effective expenditure arose as a result of the withdrawal of a publication.

### **Opinion**

In my opinion, the financial statements give a true and fair view, in accordance with Generally Accepted Accounting Practice in Ireland, of the state of the Board's affairs at 31 December 2009 and of its income and expenditure for the year then ended.

In my opinion, proper books of account have been kept by the Board. The financial statements are in agreement with the books of account.



John Buckley  
Comptroller and Auditor General

3 February 2011.

**STATEMENT OF RESPONSIBILITIES OF THE BOARD**

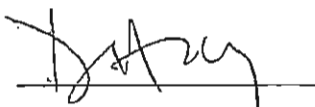
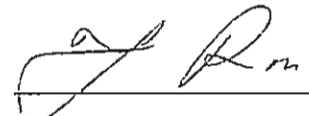
The Board of The National Library of Ireland was established on 3 May 2005 under the National Cultural Institutions Act, 1997. Section 35 of the National Cultural Institutions Act, 1997 requires the Board to prepare financial statements in such form as may be approved by the Minister for Arts, Sport and Tourism with the concurrence of the Minister for Finance. In preparing those financial statements, the Board is required to:

- Select suitable accounting policies and then apply them consistently;
- Make judgements and estimates that are reasonable and prudent;
- Prepare the financial statements on the going concern basis unless it is inappropriate to presume that the National Library of Ireland will continue in operation; and
- Disclose and explain any material departures from applicable accounting standards.

The Board is responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the National Library of Ireland and which enable it to ensure that the financial statements comply with Section 35 of the Act.

The Board is also responsible for safeguarding the assets of the National Library of Ireland and for taking reasonable steps for the prevention and detection of fraud and other irregularities.

On behalf of the Board:

  
\_\_\_\_\_  
**David Harvey**  
Chairperson  
\_\_\_\_\_  
**Brian Halpin**  
Board Member  
\_\_\_\_\_  
**Fiona Ross**  
Director

Date:

**National Library of Ireland**  
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**STATEMENT ON INTERNAL FINANCIAL CONTROL**

**Responsibility for system of Internal Financial Control**

On behalf of the Board of the National Library of Ireland, I acknowledge our responsibility for ensuring that an effective system of internal financial control is maintained and operated.

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

**Key Control Procedures**

The Board has taken steps to ensure an appropriate control environment by:

- clearly defining management responsibilities; and
- establishing formal procedures for reporting significant control failures;
- ensuring appropriate corrective action.

The Board can report substantial progress in establishing procedures to identify and evaluate business risks including:

- identifying the nature, extent and financial implications of risks facing the body including the extent and categories, which it regards as acceptable;
- assessing the likelihood of identified risks occurring;
- assessing the body's ability to manage and mitigate the risks that do occur; and
- assessing the costs of operating particular controls relative to the benefit obtained

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

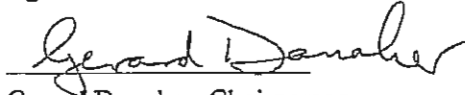
- comprehensive budgeting system with an annual budget which is reviewed and agreed by the Board;
- regular reviews by the Board of periodic and annual financial reports which indicate financial performance against forecasts; and
- setting targets to measure financial and other performance.

The National Library of Ireland has outsourced the internal audit function, which operates in accordance with the Framework Code of Best Practice set out in the Code of Practice for the Governance of State Bodies. A 3 year audit plan was agreed in 2007 to cover all financial, operational and organisational aspects of the Library and 6 audits were completed in 2009. The function is informed by analysis of the risks to which the National Library is exposed, and annual internal audit plans based on this analysis. The analysis of risk and the internal audit plans are endorsed by the Audit Committee and approved by the Board. The Audit Committee reports regularly to the Board and provides the Board with a comprehensive report of internal audit activity annually.

**Annual Review of Controls**

The Board recognises its responsibility in respect of its system of internal control. To that end it has undertaken regular review, directly and by reports from the Audit Committee, of the internal controls and is satisfied as to their effectiveness. It will continue to discharge this responsibility.

Signed on behalf of the Board:

A handwritten signature in cursive script that reads "Gerard Danaher". The signature is written in black ink and is positioned above a horizontal line.

Gerard Danaher, Chairperson

Date:

## ACCOUNTING POLICIES

### 1. Basis of Accounting

The financial statements are prepared on an accruals basis, except as stated below, under the historical cost convention, and in accordance with generally accepted accounting practice. Financial reporting standards recommended by the recognised accounting bodies are adopted as they become applicable.

### 2. Income Recognition

Grants from the Department of Arts, Sport and Tourism are accounted for on a receipts basis and represents cash grants received in the year.

### 3. Tangible Fixed Assets and Depreciation

Tangible fixed assets are stated at cost less accumulated depreciation. Depreciation, charged to the Income and Expenditure Account, is calculated in order to write off the cost of fixed assets over their estimated useful lives, under the straight-line method, at the following rates

- Computer equipment 4 years
- Furniture and fittings 10 years
- Office and general equipment 5 years

### 4. Heritage Assets and Library Collections

In accordance with the National Cultural Institutions Act, 1997 all library materials as at establishment remain the property of the Minister of Arts, Sport and Tourism. The Board of the National Library has the power to enlarge the Library's collections. The National Library charges expenditure on library collections and exhibitions to the income and expenditure account in the year they are purchased.

The Board of the National Library also has the power to lend or dispose of library materials subject to the provisions of Section 18 of the National Cultural Institutions Act, 1997.

### 5. Stocks

The cost of stocks for resale in the Library's shop has been recognised in the balance sheet at the lower of cost or net realisable value.

### 6. Capital Account

The Capital Account represents the unamortised amount of income used to purchase fixed assets.

### 7. Superannuation

In accordance with the National Cultural Institutions Act, 1997, a superannuation scheme has been drafted and submitted to the Minister for Arts, Sports and Tourism for approval by the Minister and for the consent of the Minister for Finance.



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The National Library operates a defined benefit pension scheme which, since the establishment of the Board, has been funded annually on a pay as you go basis from monies provided by the Department of Arts, Sports and Tourism and from contributions deducted from staff salaries.

Pension Scheme liabilities are measured on an actuarial basis using the projected unit method.

Pension costs reflect pension benefits earned by employees in the period and are shown net of staff pension contributions which are retained by the National Library. An amount corresponding to the pension charge is recognised as income to the extent that it is recoverable and is offset by grants received in the year from the Department to fund the National Library including its pension payment liabilities.

Actuarial gains or losses arising from changes in actuarial assumptions and, from experience, surpluses and deficits are recognised in the Statement of Total Recognised Gains and Losses for the year in which they occur and a corresponding adjustment is recognised in the amount recoverable from the Department of Arts, Sports and Tourism.

Pension liabilities represent the present value of future pension payments earned by staff to date. Deferred pension funding represents the corresponding amount which the Board believes it is entitled to recover in future periods from the Department.

**8. Foreign Currencies**

Transactions denominated in foreign currencies converted into euro at standard rates during the year are included in the Income and Expenditure Account for the year.

Monetary assets and liabilities denominated in foreign currencies are converted into euro at exchange rates ruling at the balance sheet date and resulting gains and losses are included in the Income and Expenditure Account for the year.

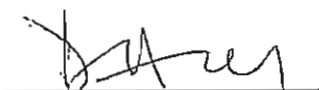
National Library of Ireland  
Financial Statements for the year ended 31 December 2009

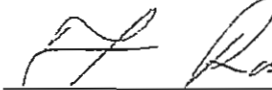
INCOME AND EXPENDITURE ACCOUNT  
FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2009

INCOME	Note	2009 €	2008 €
Oireachtas Grant	2	10,742,000	11,875,000
Other Income	3	175,464	305,081
Net deferred funding for pensions	19(c)	1,221,000	1,836,051
<b>TOTAL INCOME</b>		<b>12,138,464</b>	<b>14,016,132</b>
<b>EXPENDITURE</b>			
Salaries	18	6,852,480	7,165,583
Buildings Costs	4	562,290	750,776
Administration	5	693,131	1,011,712
Professional Fees	6	152,709	262,347
Collections	7	1,800,077	2,883,240
Conservation		128,465	278,652
Digitisation		198,666	290,006
Education & Outreach	8	494,766	651,956
Readers and Customer Services	9	236,019	403,269
Depreciation	10	578,915	545,115
<b>TOTAL EXPENDITURE</b>		<b>11,697,518</b>	<b>14,242,656</b>
<b>OPERATING INCOME</b>		<b>440,946</b>	<b>(226,524)</b>
Transfer (to)/from Capital Account	15	171,603	80,010
<b>OPERATING SURPLUS/(DEFICIT)</b>		<b>612,549</b>	<b>(146,514)</b>
Surplus brought forward		1,055,239	1,201,753
<b>Surplus carried forward</b>		<b>1,667,788</b>	<b>1,055,239</b>

The Statement of Accounting Policies and Notes 1 to 22 form an integral part of these financial statements.

On behalf of the Board:

  
David Harvey, Chairperson

  
Fiona Ross

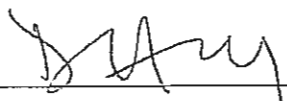
  
Brian Halpin

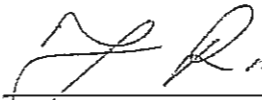
National Library of Ireland  
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STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES  
 FOR THE YEAR ENDED 31<sup>st</sup> DECEMBER 2009

	2009	2008
	€	€
Surplus for the period	612,549	(146,514)
Experience (gains)/losses on pension scheme liabilities	(1,307,000)	232,000
Effect of changes in actuarial assumptions	<u>2,415,000</u>	<u>(3,319,000)</u>
Actuarial (gain)/loss on Pension Liabilities 19(b)	1,108,000	(3,087,000)
Adjustment to Deferred Pension Funding	(1,108,000)	3,087,000
Total recognised gain/(loss) for the period	<u><u>612,549</u></u>	<u><u>(146,514)</u></u>

On behalf of the Board:

  
 \_\_\_\_\_  
 David Harvey, Chairperson

  
 \_\_\_\_\_  
 Fíona Ross

  
 \_\_\_\_\_  
 Brian Halpin

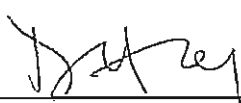
National Library of Ireland  
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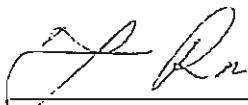
BALANCE SHEET AS AT 31st DECEMBER 2009

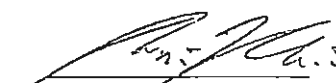
		2009 €	2008 €
<b>Fixed Assets</b>			
Tangible Assets	10	1,790,681	1,962,284
		<u>1,790,681</u>	<u>1,962,284</u>
<b>Current Assets</b>			
Stocks	11	120,090	130,387
Debtors and Prepayments	12	100,464	143,185
Cash at bank		2,184,736	1,399,200
		<u>2,405,290</u>	<u>1,672,772</u>
Creditors: Amounts falling due within one year	13	557,768	598,533
Net Current Assets		1,847,522	1,074,239
<b>Total Assets less Current Liabilities</b>		<b>3,638,203</b>	<b>3,036,523</b>
<b>Creditors: Amounts falling due after more than one year</b>			
Creditors	14	179,734	19,000
Deferred Pension Funding	19(c)	21,368,000	19,039,000
Pension Liabilities	19(b)	(21,368,000)	(19,039,000)
<b>Total Net Assets</b>		<u><b>3,458,469</b></u>	<u><b>3,017,523</b></u>
<b>Represented by:</b>			
Capital Account	15	1,790,681	1,962,284
Income and Expenditure Account	16	1,667,788	1,055,239
		<u>3,458,469</u>	<u>3,017,523</u>

The Statement of Accounting Policies and notes 1 to 22 form an integral part of these financial statements.

On behalf of the Board:

  
David Harvey, Chairperson

  
Fiona Ross

  
Brian Halpin

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CASH FLOW STATEMENT  
FOR THE YEAR ENDED 31st DECEMBER 2009

	2009	2008
	€	€
<b>Reconciliation of Net Operating Surplus</b>		
Operating Surplus/(Deficit)	612,549	(146,514)
Transfer from Capital Account	(171,603)	(80,010)
Depreciation	578,915	545,115
(Increase)/Decrease in Debtors	42,721	153,026
Increase/(Decrease) in Creditors	119,969	(758,681)
(Increase)/Decrease in Stocks	10,297	(867)
(Gain)/Loss on Disposal of Fixed Assets	(16,259)	(4,805)
<b>Net Cash Inflow from Operating Activities</b>	<u>1,176,589</u>	<u>(292,736)</u>

Cash Flow Statement

<b>Net Cash Inflow from Operating Activities</b>	1,176,589	(292,736)
Payment to acquire assets	(492,998)	(465,105)
Proceeds from trade in of assets	101,945	4,805
<b>Increase in cash</b>	<u>785,536</u>	<u>(753,036)</u>

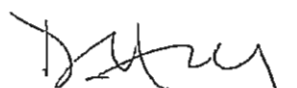
**Reconciliation of net cash flow to movements in net funds**

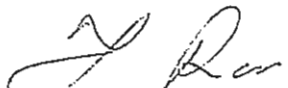
Net funds at 31st December	2,184,736	1,399,200
Net funds at 1st January	1,399,200	2,152,236
<b>Movement in net funds for the year</b>	<u>785,536</u>	<u>(753,036)</u>

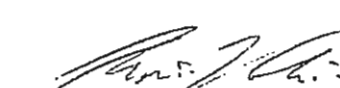
**Analysis of changes in net (debt)/funds**

	Cash at bank and in hand	Bank Overdraft	Total
At 31st December 2008	1,399,200		1,399,200
Cash flows	785,536		785,536
<b>At 31st December 2009</b>	<u>2,184,736</u>	-	<u>2,184,736</u>

On behalf of the Board:

  
David Harvey, Chairperson

  
Fiona Ross

  
Brian Halpin

**National Library of Ireland**  
**Financial Statements for the year ended 31 December 2009**

Notes *(forming part of the financial statements)*

**1. Establishment of the Board of The National Library of Ireland**

**Introduction**

The National Library of Ireland was established as an independent body on 3 May 2005 under the provisions of the National Cultural Institutions Act, 1997 (hereafter the "Act") with a Board and a Director (Chief Executive). The Council of Trustees which had a superintending role over the Library ceased to exist as of that date.

**The Board**

Under Section 19 of the Act, the Board comprises a chairperson and eleven ordinary members.

The principal functions of the Board of the National Library, as set out in Section 12 of the Act, are:

"to conserve, restore, maintain and enlarge the library material in the collection of the Library for the benefit of the public and to establish and maintain a record of library material (including material relating to the Irish language) in relation to Ireland and to contribute to the provision of access by members of the public to material relating to other countries"

**Funding**

The main source of funding for the Library is by way of grant made by the Minister for Arts, Sport and Tourism under Section 27 of the Act. The Library also generates revenue from a number of activities such as the shops, reproductions, heraldry, catering franchises and fees from corporate functions.

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	2009	2008
<b>2 Oireachtas Grants</b>		
	€	€
Grants from the Department of Arts, Sport and Tourism	10,742,000	11,875,000
	<u>10,742,000</u>	<u>11,875,000</u>
<b>3 Other Income</b>		
	€	€
Shop Sales	93,092	103,110
Cost of Goods Sold:		
Opening Stock	130,387	129,520
Purchases	37,106	38,879
Closing Stock	(120,090)	(130,387)
	<u>47,403</u>	<u>38,012</u>
Salaries	<u>78,530</u>	<u>75,923</u>
Total Cost of Sales	<u>125,933</u>	<u>113,935</u>
Gross Loss on Shops	<u>(32,841)</u>	<u>(10,825)</u>
Royalty & Reproduction Income	5,741	29,593
Heraldry Income	49,664	52,440
Corporate Functions	3,342	4,935
Restaurant	17,554	12,809
Copying Services	94,713	91,403
Sponsorship	20,000	300
Interest Income	2,632	32,469
Foreign Exchange Rate Gains/(Losses)	(4,136)	65,917
Miscellaneous Income	18,795	26,040
Total Other Income	<u>175,464</u>	<u>305,081</u>

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	2009	2008
<b>4 Building Costs</b>		
	€	€
Cleaning	57,241	60,096
Wages	19,807	19,149
Utilities	274,705	426,523
Storage	42,334	65,993
Security	140,111	152,725
Services and Maintenance	28,092	26,290
	<u>562,290</u>	<u>750,776</u>

**5 Administration Expenses**

	€	€
Postage & telecommunications	88,214	115,206
PR, Marketing and Entertainment *	151,748	280,706
Stationery and office supplies	56,652	111,101
Travel and subsistence	15,939	46,201
Information Technology	149,367	172,807
Website development	11,361	26,225
Insurance	27,255	36,489
Subscriptions	47,241	47,443
Training and other staff costs	84,721	108,737
Board fees and expenses	70,639	66,930
(Profit)/Loss on disposal of fixed assets	(16,259)	(4,805)
Bank charges	6,253	4,672
	<u>693,131</u>	<u>1,011,712</u>

\* Costs include €5,550 for staff related events in 2009



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	2009	2008
<b>6 Professional Fees</b>		
	€	€
Legal Fees	33,048	68,092
Recruitment expenses	39,721	36,187
Audit Fees	15,200	17,100
General Consultancy	64,740	140,968
	<u>152,709</u>	<u>262,347</u>

**7 Collections**

(a) The existing collections of the National Library at establishment date were not vested in the Board. The Board is of the view that valuing these collections or determining their original cost is impractical and would not, in any event, yield information that is relevant or useful in assessing its stewardship of the collections. In the circumstances, the Board has not treated collections as assets in these financial statements. While the cost and value of acquisitions made after establishment day are known, the Board believes that to treat such acquisitions as assets in the financial statements would result in an inconsistent treatment of the Library collections as a whole and would result in the Balance Sheet giving a misleading view of the cost or value of the collections which are under its control.

(b) Expenditure on collections during the period

	€	€
Books	425,658	343,989
Online & CD ROM	139,367	236,502
Ephemera	55,738	54,938
Film & maps	5,043	8,210
Manuscripts	791,824	1,510,062
Newspapers	116,336	306,835
Official publications	18,413	21,071
Periodicals	22,186	24,455
Photographs	25,640	139,847
Prints and Drawings	80,899	133,030
Staff reference & miscellaneous	900	6,709
Cataloguing Backlog Project	118,073	97,592
	<u>1,800,077</u>	<u>2,883,240</u>

(c) In 2009 the Library availed of Section 1003 of the Taxes Consolidation Act 1997 (as amended by the Finance act 2002) to acquire manuscripts by Dr. Brian Friel. Had this been purchased by the Library in its own right there would have been a substantial cost to the Library under the heading of Manuscripts. Revenue Commissioners determined a market valuation of €450,000.

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	2009	2008
	€	€
<b>8 Education and outreach</b>		
William Butler Yeats exhibition	119,175	233,758
Strangers to Citizens	6,045	31,981
Discover the National Library	196,220	
Other exhibitions	61,368	115,044
Library Events and publications (Note)	106,783	204,464
Events consultancy	5,175	66,709
	<u>494,766</u>	<u>651,956</u>

Note – As a result of the withdrawal of a National Library publication in 2009 non effective expenditure of €97,867 was incurred (2009: €39,190 and 2008: €58,677).

**9 Readers/Customer Services**

	€	€
Heraldry Expenses	44,715	46,866
Microfilm Unit	60,985	39,048
Photographic Services	47,397	92,685
Genealogical Services	33,772	27,630
Other Reader Services	49,150	197,040
	<u>236,019</u>	<u>403,269</u>

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10 Tangible Fixed Assets

	IT Equipment €	Furniture & Fittings €	Equipment €	Total €
<b><u>COST</u></b>				
Cost at 31st December 2008	1,610,419	893,989	1,370,517	3,874,925
Additions	199,903	68,392	224,703	492,998
Disposals	(8,614)	(17,424)	(141,570)	(167,608)
Cost at 31st December 2009	<u>1,801,708</u>	<u>944,957</u>	<u>1,453,650</u>	<u>4,200,315</u>
<b><u>ACCUMULATED DEPRECIATION</u></b>				
At 31st December 2008	888,989	295,686	727,966	1,912,641
Depreciation charge	289,548	88,196	201,171	578,915
Disposals	(5,781)	(4,065)	(72,076)	(81,922)
At 31st December 2009	<u>1,172,756</u>	<u>379,817</u>	<u>857,061</u>	<u>2,409,634</u>
<b><u>NET BOOK VALUE</u></b>				
As at 31st December 2009	<u>628,952</u>	<u>565,140</u>	<u>596,589</u>	<u>1,790,681</u>
As at 31st December 2008	<u>721,430</u>	<u>598,303</u>	<u>642,551</u>	<u>1,962,284</u>

Land and buildings, owned by the state and maintained by the Office of Public Works, are used free of charge by the National Library of Ireland.

	2009	2008
<b>11 Stocks</b>		
	€	€
Shop stocks for resale	120,090	130,387
<b>12 Debtors and prepayments</b>		
	€	€
Debtors	39,853	39,722
Prepayments	60,611	103,463
	<u>100,464</u>	<u>143,185</u>

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	2009	2008
<b>13 Creditors (Amounts falling due within one year)</b>		
	€	€
Creditors & accruals	374,156	404,005
Taxation and social welfare	183,612	194,527
	<u>557,768</u>	<u>598,532</u>
<b>14 Creditors (Amounts falling due after more than one year)</b>		
	€	€
Creditors	179,734	19,000
	<u>179,734</u>	<u>19,000</u>
<b>15 Capital Account</b>		
	€	€
Balance b/f	1,962,284	2,042,294
Transferred from Income & expenditure:		
To fund fixed asset purchases	492,998	465,105
Amortisation in line with asset depreciation	(578,915)	(545,115)
Amounts released on disposals	(85,686)	
Transferred from Capital Account	<u>(171,603)</u>	<u>(80,010)</u>
Closing Balance	<u>1,790,681</u>	<u>1,962,284</u>
<b>16 Income and Expenditure Account</b>		
	€	€
Balance b/f	1,055,239	1,201,753
Surplus for the period	612,549	(146,514)
Balance as at 31st December	<u>1,667,788</u>	<u>1,055,239</u>

**17 Commitments**

Expenditure committed at 31 December 2009 but not provided for in these financial statements totalled €59,100

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	2009	2008
<b>18 Employee numbers and costs</b>		
The average number of staff employed in the period was:		
Administration & support	19	20
Library	88	90
Shops, cleaning & exhibition staff	7	7
Special programmes	16	12
	<u>130</u>	<u>129</u>

Costs in the period were:

	€	€
Wages and salaries - funded by state grant	4,922,551	5,108,773
Employers PRSI Contributions - funded by state grant	318,590	336,746
Less: Wages charged to other programme costs	(259,661)	(225,936)
Pension Costs 19(n)	<u>1,871,000</u>	<u>1,946,000</u>
	<u>6,852,480</u>	<u>7,165,583</u>
Other wages funded from National Library Income:		
Cleaning staff wages (included in Building Costs)	19,807	19,149
Shop staff wages (included in Other Income)	78,530	75,923
Exhibition Guides (included in Exhibition costs)	<u>32,663</u>	<u>35,917</u>
	<u>6,983,480</u>	<u>7,296,572</u>

**19 Superannuation**

a) Analysis of total pension costs charged to expenditure

	€	€
Current service cost	820,000	905,000
Interest on Pension Scheme Liabilities	1,174,000	1,160,000
Employee contributions	<u>(123,000)</u>	<u>(119,000)</u>
	<u>1,871,000</u>	<u>1,946,000</u>

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	2009	2008
b) Movement in Net Pension Liability during the period		
	€	€
Net Pension Liability b/f	19,039,000	20,302,000
Current Service Cost	820,000	905,000
Interest Costs	1,174,000	1,160,000
Actuarial loss/(gain)	1,108,000	(3,087,000)
Pensions paid in the year	(773,000)	(241,000)
Net Pension Liability at 31 December	<u>21,368,000</u>	<u>19,039,000</u>

c) Deferred Funding for Pensions

Having regard to the history of the National Library and the background to the establishment of the Board, it is assumed that the unfunded deferred liability for pensions will continue to be met by the State although there is no formal agreement and therefore no guarantee in this regard from the Department of Arts, Sport and Tourism. However, the National Library believes that the aforesaid assumption is a reasonable one having regard to past events and the established practice in relation to other public sector organizations and accordingly is including as an asset (deferred pension funding) an amount equal to the pension liabilities.

The deferred funding asset for pensions as at 31 December 2009 amounted to €21.368 million (31 December 2008: €19 million).

The Net Deferred Funding for Pensions recognized in Income and Expenditure Account was as follows:

	2009	2008
	€	€
Funding recoverable in respect of current year pension costs	1,994,000	2,065,000
State grant applied to pay pensioners	(773,000)	(228,949)
	<u>1,221,000</u>	<u>1,836,051</u>

d) History of defined benefit obligations

	2009	2008	2007	2006	2005
	(€'000)	(€'000)	(€'000)	(€'000)	(€'000)
Defined Benefit Obligations	21,368,000	19,039,000	20,302,000	19,394,000	18,596,000
Experience (gains)/losses on pension scheme liabilities:					
Amount	1,307,000	232,000	3,189,000	762,000	53,000
Percentage of Scheme Liabilities	6.1%	1.2%	15.7%	3.9%	0.3%

The cumulative actuarial loss recognized in the Statement of Total Recognised Gains and Losses amounts to €2,700,000

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**e) General description of the Scheme**

The pension scheme is a defined benefit final salary pension arrangements with benefits and contributions defined by reference to current "model" public sector scheme regulations. The scheme provides a pension (eightieths per year of service), a gratuity or lump sum (three eightieths per year of service) and spouse's and children's pensions. Normal Retirement Age is a member's 65th birthday, and pre 2004 members have an entitlement to retire without actuarial reduction from age 60. Pensions in payment (and deferment) generally increase in line with general public sector salary inflation.

The valuation used for Financial Reporting Standard (FRS) 17 disclosures has been based on a full actuarial valuation as at 31 December 2008 updated by a qualified independent actuary to take account of the requirements of FRS17 in order to assess the scheme liabilities at 31 December 2009. The financial assumptions used to calculate scheme liabilities under FRS17 are:

	31/12/2009	31/12/2008
Salary escalation (promotional scale in addition)	3.0%	3.0%
Increases to pensions in payment	3.0%	3.0%
Discount rate	5.4%	6.0%
Inflation rate	2.0%	2.0%

The mortality basis adopted allows for improvements in life expectancy over time, so that life expectancy at retirement will depend on the year in which a member attains retirement age (age 65.) The table below shows the average life expectancy for members attaining age 65 in 2009, 2020 and 2025.

Year of attaining age 65	2009	2020	2025
Life expectancy – male	86.1	86.1	92
Life expectancy – female	89.1	89.1	92

**20 Director's Remuneration**

The Library fully complies with Government policy on the pay of chief executives and State body employees and with government guidelines on the payment of fees to Board members. The pay of the Chief Executive/Director of the Library is consistent with the civil service salary scale for Principal Officer Higher Scale.

The annual basic salary of the Director of the National Library for 2009 amounts to €107,117. The superannuation entitlements of the Director do not extend beyond the standard entitlements of the public sector defined benefit superannuation scheme.

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21 Board members' fees and expenses

The Board adopted procedures in accordance with guidelines issued by the Department of Finance in relation to disclosure of interests by Board members and these procedures have been adhered to in the year.

Fees and expenses paid to members of the Board and its subcommittees were:

	€
Gerard Danaher	9,800
Bob Collins	6,533
Ida Delamer	6,533
David Harvey	5,367
Breda Kelly	6,533
Gerry Long	6,533
Máire Mac Conghail	6,533
Niall MacMonagle	6,533
Brendan O'Donoghue	6,533
Noreen Whelan	6,533
Total Fees	<u>67,433</u>
Expenses	3,206
	<u><u>70,639</u></u>

22 Approval of financial statements

The Board approved these financial statements on 6<sup>th</sup> December 2010