



**National Library of Ireland**

**Leabharlann Náisiúnta na hÉireann**

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**Financial Statements for the year ended**

**31<sup>st</sup> December 2008**

## **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 2008 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.

## **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 2008 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.



**Gerard Smyth**  
**For and on behalf of the**  
**Comptroller and Auditor General**

**7 October 2009**



**National Library of Ireland**  
**Financial Statements for the year ended 31 December 2008**

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## **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.

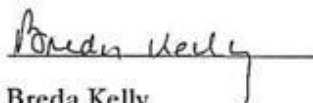
The Board is responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the National Library of Ireland and which enable it to ensure that the financial statements comply with Section 35 of the Act.

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:



Gerard Danaher  
Chairperson



Breda Kelly  
Board Member



Aongus Ó hAonghusa  
Director

Date: 30 September 2009

## **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
- establishing formal procedures for reporting significant control failures and 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;
- 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;
- 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 8 audits were completed in 2008. 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:



Gerard Danaher, Chairperson

Date: 30 SEPT 2009

## **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.

**National Library of Ireland**  
**Financial Statements for the year ended 31 December 2008**

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.




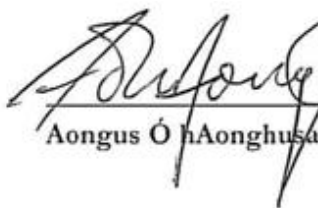
**INCOME AND EXPENDITURE ACCOUNT**  
**FOR THE YEAR ENDED 31<sup>ST</sup> DECEMBER 2008**

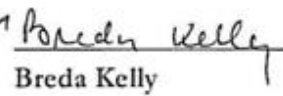
<b>INCOME</b>	<b>Note</b>	<b>2008</b>	<b>2007</b> <b>€</b>
Oireachtas Grant	2	11,875,000	12,701,000
Other Income	3	305,081	220,998
Net deferred funding for pensions	19(c)	1,836,051	1,809,750
<b>TOTAL INCOME</b>		<b>14,016,132</b>	<b>14,731,748</b>
<b>EXPENDITURE</b>			
Salaries	18	7,165,583	6,637,859
Buildings Costs	4	750,776	782,746
Administration	5	1,011,712	754,295
Professional Fees	6	262,346	253,846
Collections	7	2,883,241	3,041,208
Conservation		278,652	178,342
Digitisation		290,006	51,567
Education & Outreach	8	651,956	1,261,767
Readers and Customer Services	9	403,269	290,716
Depreciation		545,115	336,946
<b>TOTAL EXPENDITURE</b>		<b>14,242,656</b>	<b>13,589,292</b>
<b>OPERATING SURPLUS/(DEFICIT)</b>		<b>(226,524)</b>	<b>1,142,456</b>
Transfer to/(from) Capital Account	15	(80,010)	959,738
<b>SURPLUS/(DEFICIT)</b>		<b>(146,514)</b>	<b>182,718</b>
Surplus brought forward		1,201,753	1,019,035
<b>Surplus carried forward</b>		<b>1,055,239</b>	<b>1,201,753</b>

The Statement of Accounting Policies and Notes 1 to 21 form an integral part of these financial statements.

On behalf of the Board:

  
Gerard Danaher, Chairperson

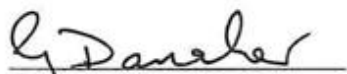
  
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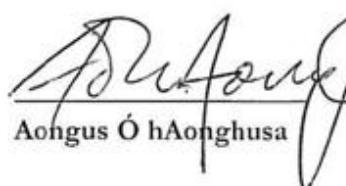
  
Breda Kelly

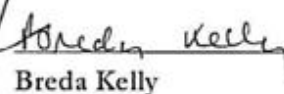
STATEMENT OF TOTAL RECOGNISED GAINS AND LOSSES  
FOR THE YEAR ENDED 31st DECEMBER 2008

	2008	2007
	€	€
Surplus for the period	(146,514)	182,718
Experience (gains)/losses on pension scheme liabilities	232,000	3,189,000
Effect of changes in actuarial assumptions	<u>(3,319,000)</u>	<u>(4,091,000)</u>
Actuarial (gain)/loss on Pension Liabilities 19(b)	(3,087,000)	(902,000)
Adjustment to Deferred Pension Funding	3,087,000	902,000
<b>Total recognised gain/(loss) for the period</b>	<b><u>(146,514)</u></b>	<b><u>182,718</u></b>

On behalf of the Board:

  
Gerard Danaher, Chairperson

  
Aongus Ó hAonghusa

  
Breda Kelly

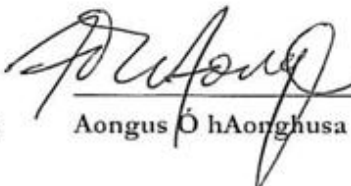
**BALANCE SHEET AS AT 31st DECEMBER 2008**

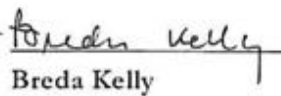
		2008 €	2007 €
<b>Fixed Assets</b>			
Tangible Assets	10	1,962,284	2,042,294
		<u>1,962,284</u>	<u>2,042,294</u>
<b>Current Assets</b>			
Stocks	11	130,387	129,520
Debtors and Prepayments	12	143,185	296,211
Cash at bank		1,399,200	2,152,236
		<u>1,672,772</u>	<u>2,577,967</u>
<b>Creditors:</b> Amounts falling due within one year	13	598,533	1,338,214
Net Current Assets		1,074,239	1,239,753
<b>Total Assets less Current Liabilities</b>		<b>3,036,523</b>	<b>3,282,047</b>
<b>Creditors:</b> Amounts falling due after more than one year			
Creditors	14	19,000	38,000
Deferred Pension Funding	19(c)	19,039,000	20,301,750
Pension Liabilities	19(b)	(19,039,000)	(20,301,750)
<b>Total Net Assets</b>		<u><b>3,017,523</b></u>	<u><b>3,244,047</b></u>
<b>Represented by:</b>			
Capital Account	15	1,962,284	2,042,294
Income and Expenditure Account	16	1,055,239	1,201,753
		<u><b>3,017,523</b></u>	<u><b>3,244,047</b></u>

The Statement of Accounting Policies and notes 1 to 21 form an integral part of these financial statements.

On behalf of the Board:

  
Gerard Danaher, Chairperson

  
Aongus Ó hAonghusa

  
Breda Kelly

**CASH FLOW STATEMENT**  
**FOR THE YEAR ENDED 31st DECEMBER 2008**

	2008 €	2007 €
<b>Reconciliation of Surplus/(Deficit)</b>		
Surplus/(Deficit)	(146,514)	182,718
Transfer to/from Capital Account	(80,010)	959,738
Depreciation	545,115	336,946
(Increase)/Decrease in Debtors	153,026	(223,348)
Increase/(Decrease) in Creditors	(758,681)	(4,486)
(Increase)/Decrease in Stocks	(867)	(46,509)
(Gain)/Loss on Disposal of Fixed Assets	(4,805)	
<b>Net Cash Inflow/Outflow from Operating Activities</b>	(292,736)	1,205,059

**Cash Flow Statement**

<b>Net Cash Inflow/Outflow from Operating Activities</b>	(292,736)	1,205,059
Payment to acquire assets	(465,105)	(1,296,684)
Proceeds from trade in of assets	4,805	
<b>Increase/Decrease in cash</b>	(753,036)	(91,625)

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

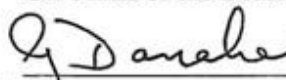
Net funds at 31 <sup>st</sup> December	1,399,200	2,152,236
Net funds at 1 <sup>st</sup> January	2,152,236	2,243,861
<b>Movement in net funds for the year</b>	(753,036)	(91,625)

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

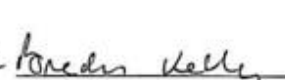
	Cash at bank and in hand	Bank Overdraft	Total
At 31st December 2007	2,152,236		2,152,236
Cash flows	(753,036)		(753,036)
At 31st December 2008	1,399,200	-	1,399,200

On behalf of the Board:

On behalf of the Board:

  
Gerard Danaher, Chairperson

  
Aongus O hAonghusa

  
Breda Kelly

**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.

**2 Oireachtas Grants**

	2008 €	2007 €
Grants from the Department of Arts, Sport and Tourism	11,875,000	12,701,000
	<u>11,875,000</u>	<u>12,701,000</u>

**3 Other Income**

	€	€
Shop Sales	103,110	131,656
Cost of Goods Sold:		
Opening Stock	129,520	83,011
Purchases	38,879	105,434
Closing Stock	<u>(130,387)</u>	<u>(129,520)</u>
	38,012	58,925
Salaries	<u>75,923</u>	<u>85,566</u>
Total Cost of Sales	<u>113,935</u>	<u>144,491</u>
	<u>(10,826)</u>	<u>(12,835)</u>
Gross Loss on Shops		
Royalty & Reproduction Income	29,593	55,578
Heraldry Income	52,440	2,200
Corporate Functions	4,935	4,400
Restaurant	12,809	7,251
Copying Services	91,403	90,982
Sponsorship	300	40,000
Interest Income	32,469	28,702
Foreign Exchange Gains/(Losses)	65,917	(3,702)
Miscellaneous Income	26,040	8,422
	<u>305,081</u>	<u>220,998</u>
Total Other Income		

#### **4 Building Costs**

	2008	2007
	€	€
Cleaning	60,096	72,605
Wages	19,149	18,752
Utilities	426,523	400,623
Storage	65,993	116,833
Security	152,725	149,144
Services and Maintenance	26,290	24,789
	<u>750,776</u>	<u>782,746</u>

#### **5 Administration Expenses**

	2008	2007
	€	€
Postage & telecommunications	115,206	116,149
Entertainment	15,909	15,405
PR & Marketing	264,797	93,434
Stationery and office supplies	111,101	119,192
Travel and subsistence	46,201	53,594
Information Technology	172,807	88,838
Website development	26,225	0
Insurance	36,489	38,957
Subscriptions	47,443	44,122
Training and other staff costs	108,737	96,205
Board fees and expenses	66,930	84,358
(Profit)/Loss on disposal of fixed assets	(4,805)	0
Bank charges	4,672	4,041
	<u>1,011,712</u>	<u>754,295</u>

Note - 2007 Advertising costs of €63,558 relating to Library Events were included in the 2007 Accounts under Readers/Customer Services and are now shown under PR and Marketing costs.

## **6 Professional Fees**

	2008	2007
	€	€
Legal Fees	68,092	28,652
Recruitment expenses	36,187	87,158
Audit Fees	17,100	16,900
General Consultancy	140,968	121,136
	<hr/>	<hr/>
	262,346	253,846
	<hr/>	<hr/>

## **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

	2008	2007
	€	€
Books	343,989	785,594
Online & CD ROM	236,502	291,133
Ephemera	54,938	39,870
Film & maps	8,210	328
Manuscripts	1,510,062	1,441,238
Newspapers	306,835	249,160
Official publications	21,071	13,006
Periodicals	24,455	23,589
Photographs	139,847	143,052
Prints and Drawings	133,030	53,235
Staff reference & miscellaneous	6,709	1,003
Cataloguing Backlog Project	97,592	
	<hr/>	<hr/>
	2,883,241	3,041,208
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**8 Education and outreach**

	2008	2007
	€	€
William Butler Yeats exhibition	233,758	542,983
Strangers to Citizens exhibition	31,981	466,058
Other exhibitions	115,044	73,567
Library Events	204,464	179,159
Education & outreach consultancy	66,709	
	<u>651,956</u>	<u>1,261,767</u>

**9 Readers/Customer Services**

	2008	2007
	€	€
Heraldry Expenses	46,866	24,069
Microfilm Unit	39,048	22,978
Photographic Services	92,685	58,332
Genealogical Services	27,630	26,251
Other Reader Services	197,040	159,086
	<u>403,269</u>	<u>290,716</u>

**National Library of Ireland**  
**Financial Statements for the year ended 31 December 2008**

**10 Tangible Fixed Assets**

	IT Equipment €	Furniture & Fittings €	Assets in Progress €	Equipment €	Total €
<b><u>COST</u></b>					
Cost at 31st December 2007	1,491,464	780,692	26,995	1,110,669	3,409,820
Additions	118,955	113,297		232,853	465,105
Transfers			(26,995)	26,995	0
Disposals					0
Cost at 31st December 2008	1,610,419	893,989	0	1,370,517	3,874,925

**ACCUMULATED DEPRECIATION**

At 31st December 2007	613,067	208,932	0	545,527	1,367,526
Depreciation charge	275,922	86,754		182,439	545,115
Disposals					0
At 31st December 2008	888,989	295,686	0	727,966	1,912,641

**NET BOOK VALUE**

As at 31st December 2008	721,430	598,303	0	642,551	1,962,284
As at 31st December 2007	878,397	571,760	26,995	565,142	2,042,294

Assets in progress related to box making equipment for conservation.

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.

**11 Stocks**

	2008 €	2007 €
Shop stocks for resale	130,387	129,520

**12 Debtors and prepayments**

	2008 €	2007 €
Debtors	39,722	13,934
Prepayments	103,463	282,277
	143,185	296,211

**13 Creditors (Amounts falling due within one year)**

	2008	2007
	€	€
Creditors & accruals	404,005	1,104,292
Taxation and social welfare	194,527	233,922
	<u>598,532</u>	<u>1,338,214</u>

**14 Creditors (Amounts falling due after more than one year)**

	2008	2007
	€	€
Creditors	19,000	38,000
	<u>19,000</u>	<u>38,000</u>

**15 Capital Account**

	2008	2007
	€	€
Balance b/f	2,042,294	1,018,408
Transferred from Income & expenditure:		
To fund fixed asset purchases	465,105	1,296,684
Amortisation in line with asset depreciation	(545,115)	(336,946)
Transferred from Capital Account	<u>(80,010)</u>	<u>959,738</u>
Transfer to fund fixed asset expenditure in 2006 capitalised in 2007		<u>64,148</u>
Closing Balance	<u>1,962,284</u>	<u>2,042,294</u>

**16 Income and Expenditure Account**

	2008	2007
	€	€
Balance b/f	1,201,753	1,019,035
Surplus for the period	<u>(146,514)</u>	<u>182,718</u>
Balance as at 31st December	<u>1,055,239</u>	<u>1,201,753</u>

**17 Commitments**

Expenditure committed at 31 December 2008 but not provided for in these financial statements totalled €71,974

## **18 Employee numbers and costs**

The average number of staff employed in the period was:

	2008	2007
Administration & support	20	20
Library	90	93
Shops, cleaning & exhibition staff	7	9
Special programmes	12	
	<u>129</u>	<u>123</u>

Costs in the period were:

	2008	2007
	€	€
Wages and salaries - funded by state grant	5,108,773	4,579,312
Employers PRSI Contributions - funded by state grant	336,746	283,600
Agency temporary staff		2,572
Less: Wages charged to other programme costs	(225,936)	(43,625)
Pension Costs 19(a)	<u>1,946,000</u>	<u>1,816,000</u>
	<u>7,165,583</u>	<u>6,637,859</u>
Other wages funded from National Library Income:		
Cleaning staff wages (included in Building Costs)	19,149	18,752
Shop staff wages (included in Other Income)	75,923	85,566
Exhibition Guides (included in Exhibition costs)	<u>35,917</u>	<u>58,876</u>
	<u>7,296,572</u>	<u>6,801,053</u>

## **19 Superannuation**

### **a) Analysis of total pension costs charged to expenditure**

	2008	2007
	€	€
Current service cost	905,000	998,000
Interest on Pension Scheme Liabilities	1,160,000	913,000
Employee contributions	<u>(119,000)</u>	<u>(95,000)</u>
	<u>1,946,000</u>	<u>1,816,000</u>

**b) Movement in Net Pension Liability during the period**

	2008	2007
	€	€
Net Pension Liability b/f	20,302,000	19,394,000
Current Service Cost	905,000	998,000
Interest Costs	1,160,000	913,000
Actuarial loss/(gain)	(3,087,000)	(902,000)
Pensions paid in the year	(241,000)	(101,250)
<b>Net Pension Liability at 31 December</b>	<b>19,039,000</b>	<b>20,301,750</b>

**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 2008 amounted to €19 million (31 December 2007: €20.3 million).

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

	2008	2007
	€	€
Funding recoverable in respect of current year pension costs	2,065,000	1,911,000
State grant applied to pay pensioners	(228,949)	(101,250)
	<u>1,836,051</u>	<u>1,809,750</u>

The deferred funding asset for pensions as at 31 December 2008 amounted to €19 million (31 December 2007: €20.3 million).

**d) History of defined benefit obligations**

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

The cumulative actuarial loss recognized in the Statement of Total Recognised Gains and Losses amounts to €4,236,000

### **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 by a qualified independent actuary to take account of the requirements of FRS17 in order to assess the scheme liabilities at 31 December 2008. The financial assumptions used to calculate scheme liabilities under FRS17 are:

	31/12/2008	31/12/2007
Salary escalation (promotional scale in addition)	3.00%	3.50%
Increases to pensions in payment	3.00%	3.50%
Discount rate	6.00%	5.50%
Inflation rate	2.00%	2.50%

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 2008, 2028 and 2048.

Year of attaining age 65	2008	2028	2048
Life expectancy – male	86.1	86.1	86.1
Life expectancy – female	89.1	89.1	89.1

### **f) Revised FRS17 Disclosures**

The information on pensions has been presented in line with new disclosure requirements required from 2008 under an amendment to FRS 17.

## **20 Board Members Interests**

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.

## **21 Approval of financial statements**

The Board approved these financial statements on 14 September 2009.