

LIBRARY



British Library

Annual Report and Accounts 2021/22

Presented to Parliament pursuant to section 4(3) and 5(3) of the British Library Act 1972

Copies deposited with the Scottish Parliament, the Library for the Welsh Parliament,
and presented to the Northern Ireland Assembly

Ordered by the House of Commons to be printed on 19 July 2022

© British Library (2022)

The text of this document (this excludes, where present, the Royal Arms and all departmental or agency logos) may be reproduced free of charge in any format or medium provided that it is reproduced accurately and not in a misleading context.

The material must be acknowledged as British Library copyright and the document title specified. Where third party material has been identified, permission from the respective copyright holder must be sought.

Any enquiries related to this publication should be sent to us at customer-services@bl.uk

This publication is available at gov.uk/official-documents

ISBN 978-1-5286-3392-5

E02753956

Printed on paper containing 100% recycled fibre content.

Contents

Chair's and Chief Executive's introduction	4
--	---

Annual Report 2021/22

Our purposes	7
Our year in numbers	8
Custodianship	11
Research	15
Business	19
Culture	23
Learning	27
International	31
Public Lending Right	34
Enabling Living Knowledge	36
The year ahead	40
Key Performance Indicators	41
Grants and donations	44
Statement of the British Library Board's and Accounting Officer's Responsibilities	46
Financial review	47
Reference and administrative details	50
Sustainability report	51
Remuneration report	55
Governance statement	60
Other disclosures	65

Annual Accounts 2021/22

The Certificate and Report of the Comptroller and Auditor General to the Houses of Parliament and the Scottish Parliament	68
Statement of financial activities	71
Balance sheet	73
Cash flow statement	74
Notes to the accounts	75

Chair's and Chief Executive's introduction



Dame Carol Black, Chair and Roly Keating, Chief Executive.

The opening of *Elizabeth & Mary: Royal Cousins, Rival Queens*, in October was a hugely symbolic moment in the Library's gradual but determined restoration of physical services this year. The excitement and relief that accompanied the exhibition's opening reflected the extraordinary quality of a show that perhaps only the Library could have delivered. At its heart was the private correspondence between two queens, telling their story in their own words, alongside rare and remarkable 16th-century manuscripts and printed books.

It was rapidly followed by the opening of shows based on the lyrics of Paul McCartney and the life and works of Beethoven, demonstrating the incredible diversity of the Library's collection. The opening of exhibitions and the return of our visitors to the Library has created a growing sense of renewal and momentum.

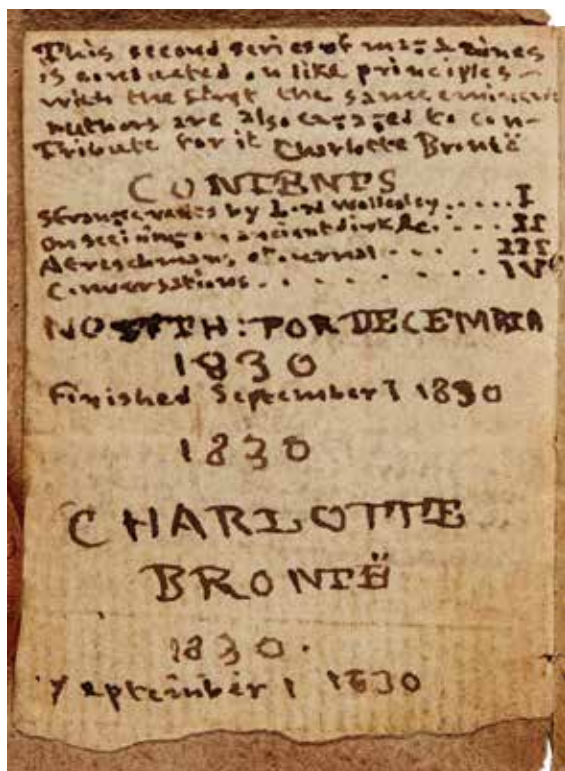
The journey to reach this point has, at times, been uneven and uncertain. Earlier in the year, the Library's Reading Rooms re-opened (on 12 April), followed by our Exhibition galleries on 17 May. While we were able to draw on experience from past lockdowns, the process of doing so safely and in accordance with changing guidance required another substantial effort from our staff. We were grateful too for the continued advice and support of the Department for Digital, Culture, Media and Sport (DCMS) throughout this period, as the country moved toward the full lifting of legal restrictions on social contact.

Inevitably, it has taken some time for visitor confidence to return (particularly overseas visitors) but attendance continues to rise, reaching around 90% of pre-pandemic levels by the end of March 2022. This of course was disrupted by the emergence of the Omicron variant in early winter, which hit confidence even though facilities remained open. The pandemic's economic impact on the Library's commercial and philanthropic income continues to be felt, though a recovery is underway. In that context, the outcome of the 2021 Spending Review was an important moment, and it has provided very welcome medium term financial stability of our Grant in Aid.

This stability will underpin the success of our ambitious programme of capital projects which will transform our buildings and our accessibility for visitors in the North of England and St Pancras. The Spending Review confirmed the Government's substantial investment in Boston Spa Renewed, our project to expand and improve critical national storage capacity into the middle of this century. This year our proposals secured planning permission from Leeds City Council. This enabled us to begin an extraordinary programme of preparatory works to move staff and collections in readiness for construction works. In total, we need to move 105km of linear shelved collection material, and this year we delivered the first 43km of this.

We also took major steps forward with our plan to establish an iconic new Library site in the heart of Leeds, that will provide new opportunities for people across the North of England to use and be inspired by the national collection. Collaborating with Leeds City Council and Commercial Estates Group (CEG), and working closely with West Yorkshire Combined Authority, we have begun preparations for urgent stabilisation and surveying of the city's Temple Works building. This is only possible thanks to an initial £5m investment from the £25m allocated by the Government through the West Yorkshire devolution deal. In addition, we are delighted that our long term vision was supported through the Government's Culture Recovery Fund

and Historic England, enabling urgent repairs and the safe opening of the Counting House, which adjoins the Temple Works mill building.



The Blavatnik Honresfield Library includes this miniature manuscript by Charlotte Brontë from 1830. Photo courtesy of Sotheby's.

Meanwhile in London, we reached a significant milestone in submitting our development plans for an historic extension of our St Pancras building to Camden Council. Our plans, delivered in partnership between the British Library and SMBL Developments (a joint venture between Stanhope Plc and Mitsui Fudosan UK Ltd), will create an additional 100,000 square feet of public space for the Library to offer its users. This will be alongside an internationally significant commercial centre for knowledge-based industries at the heart of London's Knowledge Quarter. Taken together, our capital programmes will be transformative for our ability to reach and inspire audiences across the whole of the UK over the coming decade.

The Library's collection and services, both physical and online, continued to provide inspiration and enjoyment in diverse ways. The experience of having to pivot online so radically during the pandemic has given us new tools, knowledge, and audiences that we will work to maintain as physical delivery returns. One example was the *Reset.Restart* programme, delivered online and which this year supported another 6,600 entrepreneurs to protect and grow a business in difficult times. And across a combination of physical and digital formats, researchers accessed over 86m collection items.

Families flocked to our Paddington Bear exhibition and hit the 'Marmalade Trail' around the Library, while teachers accessed a range of workshops on storytelling, sacred texts and much more. We worked with community partners to deliver creative sessions for Afghan refugee families in Camden, people living with dementia and other neurological conditions, and many other groups.

This creativity and endeavour is underpinned by the never-ending task of caring for the remarkable national collection, from taking in the UK's entire published output (nearly 2.3m items this year) to caring for the fragile, centuries-old heritage items that make up our foundational collections. This year, we were proud to be part of the Friends of National Libraries coalition that raised £15m in five months to save the Blavatnik Honresfield Library collection for the nation. It includes previously inaccessible and largely unexamined treasures of inestimable value such as works by Jane Austen, the Brontës, Walter Scott, and Robert Burns. Together with the Brontë Parsonage and the Brotherton Library in Leeds, we will be providing a permanent home to works relating to the Brontë sisters and working to open up public access.

This spirit of UK-wide partnership underpins our work with public libraries. This year, our Business & IP Centre National Network reached 18 regional centres and 59 local centres, from Barnstaple to Berwick, enabled by continued investment by DCMS. Meanwhile, the Living Knowledge Network

exchanges professional knowledge and best practice and collaborates on memorable experiences for public library users, which includes simultaneous UK-wide exhibitions linked to major British Library shows such as *Unfinished Business: The Fight for Women's Rights*. This enables many thousands more people across the whole country to access the Library's collection and services. You can read more about this work on page 24.

Beyond the UK, we have worked hard to maintain international relationships and networks in the face of pandemic restrictions on travel and face-to-face engagement. Over the year we conducted over 200 international engagements with partners, diplomats, and professionals, with face-to-face engagement increasingly the norm from February 2022. We completed our final year (of an eventful six) as Chair of the Conference of European National Librarians, which we passed to the German National Library in December. The significance of international networks, and the community of knowledge they support, was underlined in shocking fashion this year by the invasion of Ukraine. We stand in solidarity with all those affected, including those working to protect their country's rich cultural heritage such as our counterparts at the extraordinary Vernadsky National Library of Ukraine. You can read more about the support we're providing on page 31.

Underpinning all of our engagement, from the very local to the truly global, is a commitment to increasing our accessibility and inclusion as a national library for everyone. A key step this year was the publication of our Race Equality Action Plan, which has set out important changes in how we will work over the next three years. From the way we recruit and develop our staff, to the material we collect for current and future generations of researchers, to the way we engage with new audiences, our Plan sets out how we will achieve measurable, concrete and lasting change.

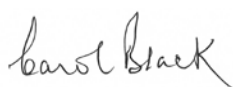
The 26th UN Climate Change Conference of the Parties (COP26), held in Glasgow in November 2021, focused attention around the world on the climate emergency. This year, the Library has built some of the foundations for our own response over the coming decade. Major decarbonisation works, made possible thanks to the Public Sector Decarbonisation Scheme, reduce emissions across our estate through solar panels, insulation, lighting and ground source heat generation.

But we think our impact can reach much further than our own sustainability, by working with partners to engage the wider public with relevant collections and services. In the summer of 2021, we worked in partnership with Blue Peter to deliver the Our Planet Now competition, which invited young people to share poems and short stories, with the winning entries shared at the COP26 summit and then added to the national collection. And we are proud to be a part of the Green Libraries initiative, supporting the Chartered Institute of Library and Information Professionals (CILIP) and other partners to help libraries address their environmental impact. This was launched in January with investment from Arts Council England.

This, like so much of the progress we recount in this year's report, stands us in good stead as we look forward to the challenges ahead. With our *Living Knowledge* strategy coming to an end in 2023, work has already started to develop our next strategy to take us to 2030. Its key task will be to ensure we can complete the ambitious journey that *Living Knowledge* has set us on, and to maintain the momentum we have worked so hard to generate. Critical to this will be investing in our staff, and this year we launched a new People Strategy to help us gear up for the challenges ahead – improving our practice in key areas such as leadership and management, strategic workforce planning, and reward and recognition.

We are, as ever, tremendously grateful to our staff, our partners, and the community of funders and supporters who have helped us through another challenging year. This has made the progress we've achieved this year possible, and gives us the essential foundations for a transformative decade for the national library.

Finally, we'd like to recognise the tremendous contribution of two of our British Library Board Members, Bob Black and Jana Bennett, who sadly passed away this year. Their wisdom, experience, and humanity have played a major role in shaping the Library's success in recent years, and they will be hugely missed.



Dame Carol Black
Chair



Roly Keating
Chief Executive

Our purposes

The British Library's six purposes define everything that we do and explain the enduring ways in which the funding we receive helps deliver tangible public value. By fulfilling each of these purposes we aim to achieve our wider objective of making our intellectual heritage accessible to everyone, for research, inspiration and enjoyment.

1 Custodianship

We build, curate and preserve the UK's national collection of published, written and digital content

2 Research

We support and stimulate research of all kinds

3 Business

We help businesses to innovate and grow

4 Culture

We engage everyone with memorable cultural experiences

5 Learning

We inspire young people and learners of all ages

6 International

We work with partners around the world to advance knowledge and mutual understanding



Left: Students and researchers making the most of the study spaces at St Pancras. Photo by Mike O'Dwyer.

Our year in numbers

Custodianship

2.25m items collected under legal deposit

Over **8,000** items received conservation treatment or intervention

43km of linear collection items relocated in preparation for Boston Spa Renewed

Research

86m collection items consulted in Reading Rooms, online, or remotely

Around **17,000** visits a month to the Reading Rooms by the end of the year

Partnered on **59** research projects alongside universities, culture and research institutions

Business

23,800 entrepreneurs and businesses supported across the UK

85 locations across the UK offering business support via libraries

Over **6,600** entrepreneurs helped to weather economic challenges through the *Reset.Restart* programme

50,000
people
engaged with our
culture and learning
programme in Leeds

Culture

237,000 people experienced *Unfinished Business: The Fight for Women's Rights* across the UK-wide Living Knowledge Network

Over **50,000** watched our online events from across the UK and the world, another 7,000 attended in person

Learning

Schools programme accessed by over **18,800** people online, and 3,000 onsite

Over **60,000** children participated in our National Outreach Programme

9.5m visitors to the Library's Learning website

International

Over **700** participants from 35 countries at the National Libraries Now conference

Over **10m** images now made available through the Endangered Archives Programme

Over **200** diplomatic and professional exchanges with 49 countries

Other highlights

20,475 authors and creators received a Public Lending Right payment

26.3m visits to the British Library website

86

million

collection items consulted
in Reading Rooms, online,
or remotely



PATHÉ'S DISC
PATHÉ-CONCERT

IMPORTANT NOTICE

PATHÉ'S DISC OF 20 CM. SHOULD BE HEARD AT A
SPEED OF FROM 120 TO 130 REVOLUTIONS PER MINUTE.
WITH THE "ACTIVE CONIC" LENS SYSTEM.

Custodianship

We build, curate and preserve the UK's national collection of published, written and digital content

Our work to secure our capacity to store and care for the growing national collection for another generation made significant progress this year. Planning permission for a major renewal of our Boston Spa site was granted by Leeds City Council in December. Our plans will add state-of-the-art collection storage capacity and capability to last into the middle of the century, thanks to investment by the Department for Digital, Culture, Media and Sport. Preparatory work to enable this has begun, with around 43 linear km of collection material assessed, prepared, and relocated, to enable demolition of life-expired buildings.

Under our legal deposit responsibilities, we received nearly 294k physical items (including newspapers, monographs, and serials) and 1.96m digital items (including e-journals, ebooks, and serials), a positive sign that deposit levels are returning to those experienced pre-pandemic.

Meanwhile, the UK Web Archive gathered around 237 terabytes of content from the UK web domain. In addition to legal deposit, we added a further 184k physical items and 7k digital items through purchase, donation and exchange.

The sequence of various lockdowns has had a significant impact on our ability to catalogue and make available this new material, and hard work is underway to retrieve a substantial backlog in the coming months. This task will be alongside our ongoing activity to care for the vast national collection. This year, over 8,000 collection items received treatment, either through remedial conservation to stabilise their condition, or through improved boxing and storage to protect against deterioration. These items included the written record of Elizabeth I's Tilbury Speech after the defeat of the Armada in 1588, and a sketchbook belonging to Beethoven. A further 169 collection

Left: Jonathan Summers, Curator Classical Music Recordings, holding a Pathé disc recording of *Overture Light Cavalry* by Franz von Suppé played by the Pathé Military Band. Photo by Sam Lane Photography. Below: Visual of part of the redevelopment plans for Boston Spa Renewed. Slab / Carmody Groarke.



items were prepared for loans to other institutions nationally and internationally.

Despite the continuing challenges posed by the pandemic, the national collection continued to grow and develop in many different ways. As ever, we worked to add culturally significant items to the collection alongside our statutory legal deposit collecting. This year, we were part of a culture sector-wide initiative to save the Blavatnik Honresfield Library for the nation. A successful fundraising campaign led by Friends of the National Libraries, including an exceptional donation by Sir Leonard Blavatnik (the largest of its kind ever to be made), has secured the extraordinary, and previously inaccessible, collection of the 19th-century industrialist William Law. It includes a remarkable array of manuscripts and printed books by the Brontës. The Library will now be working with the Brontë Parsonage Museum in Haworth and the Brotherton Library of the University of Leeds, to open up public access to these treasures for audiences across the UK.

Other notable heritage acquisitions this year through generous donation or purchase included:

- The archive of Beryl Gilroy, pioneering writer, teacher and ethno-psychotherapist
- The archive of Shirley Williams, covering her political career and public life
- Correspondence between James Bond creator Ian Fleming and his wife
- The archive of Peter Benenson, human rights activist and founder of Amnesty International
- The archive of Christopher Logue, poet, artist and political activist, and a leading figure in the 1960s counter-culture.

Last year, we reported on the activity that we launched in response to the pandemic in order to secure the national record and experience of a historic period. In March this year, we launched a new Covid-19 Collections guide which gives our users an overview of this content, which ranges from websites to TV and radio broadcast, and from oral history to literary and creative responses. The collection will continue to grow in size and significance as a critical resource for future research into the pandemic.

This work also exemplifies how our custodianship purpose encompasses UK sound and vision heritage. Our Unlocking Our Sound Heritage project, now in its fourth year of five, has established a UK-wide network of audio preservation centres. Partners include the national libraries of Scotland and Wales, and National Museums Northern Ireland. Over 320,000 recordings have now been digitised and preserved from over 110,000 tapes and discs, from over 100 institutions from every corner of the UK. These incorporate local and regional radio



The Beryl Gilroy archive includes working drafts of fiction and non-fiction, letters from publishers and literary agents, a selection of books and 'born-digital' material and will be available for research in autumn this year. A free display in the Treasures Gallery, *Celebrating Beryl Gilroy*, runs from 17 March until 26 June 2022. Photo © The Estate of Beryl Gilroy.



The Blavatnik Honresfield Library, an astonishing set of manuscripts and printed books by the Brontës. Photo courtesy of Sotheby's.

broadcasts, wildlife sounds, and oral histories from diverse local communities. This work has been supported by a £9.3 million grant from The National Lottery Heritage Fund, as well as generous funding from charities and individuals, including the Foyle and Garfield Weston Foundations.

This is just one element of our wider digitisation activity. We were delighted in March 2022 to be able to re-commence our Google Books project, which had been paused during the pandemic. The partnership has digitised and made freely available over 600,000 out of copyright books from the 16th to the 19th century, with material in over 180 languages and spanning hugely diverse subjects. We extended our long-running partnership with Findmypast, which has delivered the largest mass digitisation of newspapers the UK has ever seen. This will ensure the online publication of a further 14 million pages over the next three years, including 1 million new free-to-access pages each year.

Elsewhere, international collaboration has enabled us to open up different areas of the collection through digitisation projects, many of which are now resuming full activities following pandemic disruption. Our partnership with the Qatar Foundation and Qatar National Library continued to conserve, catalogue, image and make freely available important heritage materials on Gulf History and Arabic Science, digitising over 240,000 new images this year. This was a year the partnership achieved a major milestone with its 2 millionth image created from digitised collection material.

Following a hiatus last year, our Endangered Archives programme (generously supported by the Arcadia Fund, a charitable fund of Lisbet Rausing and Peter Baldwin), made 33 awards to new projects for a total of nearly £1 million. The programme works with partners around the world to preserve and digitise at-risk archival material. Over two thirds of successful applications came from grassroots initiatives based in the country of the relevant at-risk material. Nearly a million new images have been created, bringing the total made available to over 10 million. This year the programme made its largest ever award, for a project on the 'Hidden and endangered manuscript collections connected to the Supreme Patriarch and the Royal Family of Laos'.

We continued to work with our International Dunhuang Project (IDP) partners in China, Japan, France, Germany and Russia. The collaboration has made 560,000 digital images freely available, including nearly 185,000 images from the Library's own collection. Work to stabilise and upgrade the IDP database and website is almost complete, and the work for the redevelopment of the IDP website is underway, resulting in improved specialist and public access to collections and IDP resources.

The Lotus Sutra Manuscripts Digitisation project is now in its fifth and final year, generously supported by the Bei Shan Tang Foundation in Hong Kong. It works to conserve and digitise nearly 800 copies of the Lotus Sutra manuscripts and make them freely available online. It has so far produced more than 13,000 hi-resolution images, including 3,279 this year. In June, the Sinhalese Manuscripts Digitisation pilot project digitised four palm leaf manuscripts, funded by charitable organisation Paramaththa.

Thirty six manuscripts from the Batak regions of North Sumatra, many inscribed on tree bark or bamboo, were digitised in partnership with the Centre for the Study of Manuscript Cultures and Hamburg University. This work was supported by the German Research Foundation.

As ever, our custodianship work underpinned the full range of the Library's diverse engagement activity, from curating sounds for public art installations to supporting PhD placements. These impacts are detailed throughout the sections that follow.



Research

We support and stimulate research of all kinds

This year, a remarkable 86 million items were consulted in our Reading Rooms, online, or supplied remotely. It is a figure which tells a story both of recovery in Readers returning to our sites, but also the strength and reach of our growing digital collection.

Visitors to our Reading Rooms have gradually increased from around 2,500 a month (in April as we exited lockdown) to around 17,000 by the end of this performance year, reaching a total of 136,506. Progress was interrupted briefly by the disruption caused by the Omicron variant, but we ended the year with our highest figures since the start of the global pandemic. We expect to see this steady return continue.

Meanwhile, we made a vast amount of material available through a wide range of online platforms. Our Google Books partnership collection was

used around 3.7 million times, almost 5 million items were consulted from the British Newspaper Archive site, and over 5.5 million items were accessed via our website.

Alongside offering access to knowledge at this scale, the Library works hard to maximise researchers' ability to discover and use what they specifically need. Our Content Strategy seeks to provide access to content using the most cost-effective means to help everyone find the information they require. We are building our collection of contemporary published material (from 1945 onwards) in key subject areas ranging from science and innovation to education, history of medicine, and intellectual property.

Alongside targeted acquisition of research material, we work to improve discoverability both within our own collection and across other institutions'.

Left: Social Sciences and Science Reading Rooms. Photo by Mike O'Dwyer; Below: Our Content Strategy.



As part of the five year Towards a National Collection programme (Funded by UK Research and Innovation (UKRI) and led by the Arts and Humanities Research Council (AHRC)) we are seeking to break down barriers between different collections in the UK. This year we have begun to conclude the three projects that we co-led in the *Foundation* phase, reporting on use of persistent identifiers, geospatial metadata, and image interoperability and creating toolkits for relevant organisations. The next *Discovery* phase of the programme began in late 2021 and the Library is partnering on *The Sloane Lab* project, which is led by University College London. It seeks to link up and improve accessibility of the collections of Sir Hans Sloane across the British Museum, Natural History Museum, the British Library and others. In a similar vein, we collaborate with global networks to remove barriers to access. This year we were re-elected to the Executive and Operating Committees of the International Image Interoperability Framework (IIIF). The consortium

provides a set of evolving open standards for high quality, attributed digital objects, enabling researchers to work across different collections and datasets. This year, we have also taken on the co-chairing (with the Bibliothèque nationale de France) of the Artificial Intelligence for Libraries, Archives & Museums (AI4LAM) framework, which works to organise and share knowledge about the use of artificial intelligence in these sectors. Examples include metadata enrichment and machine readable text (and character recognition) and a registry is being created to highlight methods and resources within the global cultural heritage sector.

The Living with Machines project, delivered in collaboration with the Alan Turing Institute, has produced important publications in *Computational Humanities Research*, *Journal of Open Humanities Data*, and *Findings of the Association of Computational Linguistics*, amongst others. It has also produced a book that shares the experiences of working on a large collaborative, data-driven

Here: *An Alternative Route*, Phoebe English's collection for the London Fashion Week in September 2021 at the British Library.



and interdisciplinary project. The team has also released MapReader, a free open-source software library for analysing large map collections. The project continues to engage the public through the Zooniverse platform for people powered research. This included asking participants to help define machines in the language of the time by doing a classification task in newspaper articles.

We continued our collaboration with the British Fashion Council, designed to inspire creative new designers by connecting them with the Library's collection, with a focus this year on digital items. This year's student competition focused on themes of environment and sustainability with over 1,000 students attending our annual Masterclass. The winner was Meerim Mamatova from Kingston University, who was inspired by images from the Library's maps collections and archival images of women. She used left-over scraps of calico patchworked together and used as a base canvas for extra layers of old shirts which are sewn on top. The students were also inspired by our annual London Fashion Week event, which took place in September with an installation called *Here: An Alternative Route* by designer Phoebe English. It showcased a range of less extractive fashion production methods.

This was one part of the Library's activity in the run up to, and beyond, COP26 in Glasgow. Other initiatives included partnering with BBC Blue Peter to archive the winning entries to the *Our Planet Now* competition, which challenged young people to write a short story to inspire climate action. Another partnership, with Bournemouth University, looked at the impact of climate change on different UK landscapes – urban, coastal and countryside. We are also working with the Chartered Institute of Library and Information Professionals (CILIP), Libraries Connected, and environmental charity Julie's Bicycle to deliver a Green Libraries Partnership thanks to support from Arts Council England. The Programme aims to reduce the carbon footprint of libraries, enable libraries to help their users engage with environmental issues, and position libraries at the heart of environmental sustainability and resilience.

We also opened up the collection through in-house research as an Independent Research Organisation. This year we worked on 59 research projects alongside 40 universities, 5 cultural and research institutions, both nationally and internationally. This portfolio covers topics ranging

from investigating data repositories for arts and humanities research, to a digital humanities project on the papers of the South Seas Company and its role in the Atlantic Slave Trades.

We supervised 27 doctoral research projects in collaboration with Higher Education partners across the UK, with funding from both UK and EU schemes, including Economic and Social Research Council and Marie Skłodowska-Curie. A new cohort of AHRC Collaborative Doctoral Partnership researchers joined the Library, pursuing exciting projects on the 19th-century newspaper press in Britain and oral histories of talking therapists. A further 13 doctoral researchers from around the country participated in our PhD placement scheme, designed to provide professional experience and bringing fresh insight to Library teams and projects. Participating researchers join a thriving community of students working in collaboration with Library colleagues to both generate knowledge and create important opportunities for public outreach and further engagement with our collections.

We ran our annual programme of Doctoral Open Days and were pleased to be able to deliver some of these in person again. Having successfully delivered online during the pandemic, we continued to provide on-demand content, 'Ask a Curator' sessions, and eight webinars to guide students through how to do research at the Library. Over 3,000 registered from across the globe, while we were able to welcome 113 students in person.

In September, we launched a new research partnership with the National Trust to explore connections between the Library's collections and National Trust properties. Two jointly-supervised short-term doctoral fellowships will be offered annually over the next three years, with a hope of future larger scale research collaboration and joint programming across the Library's and the National Trust's sites.

We also continued our international fellowship programme, welcoming two new Chevening Fellows to the Library. We were thrilled to renew this valuable partnership with Chevening through the Foreign and Commonwealth Development Office, securing this fellowship scheme for a further three cohorts to 2025.



Business

We help businesses to innovate and grow

Thanks to funding from the Department for Digital, Culture, Media and Sport, we have continued to grow and evolve our National Network of Business & IP Centres. Working in partnership with local libraries, these centres offer a range of support and information for entrepreneurs looking to start up or scale up a business. This year, the Network added three regional hubs (Bristol, Oxfordshire and Tees Valley), bringing the total to 18, and 59 local hubs, bringing the total to 65. New locations ranging from Barnstaple to Bradford, Blackpool and Berwick are providing unprecedented reach for our proven model, which supports job creation and business resilience. And while growth has increased in recent years, this is also a story of long-lasting impact, with our first regional BIPC in Newcastle celebrating its 10th anniversary this year. Since it opened, it has supported over 14,000 people to start up and grow their businesses in the North East.

This year we supported over 23,800 businesses and entrepreneurs across the Network and from our own St Pancras BIPC, of which nearly a fifth took part in face-to-face activities. Alongside the National Network, we continued to deliver the *Reset.Restart* programme, which we launched in 2020 to help small businesses navigate the unique challenges of the pandemic in markets and economies. The service is online and built around a series of webinars on subjects ranging from product and service innovation to marketing, finance and business models. As we emerge from the pandemic into a period of high inflation and supply chain pressures, we have decided to extend this programme. This year, *Reset.Restart* supported over 6,600 people.

Left: Patty and Ali Gurman, founders of Sweet Paper Creations, a business that supports those with poor mental health through crafting and creation; Below: ArtPerUK, a Start-ups in London Libraries (SiLL) business, performing a Peruvian Dance at the SiLL celebration event in the Knowledge Centre. Photo by Sam Lane Photography.



Our Start-ups in London Libraries programme came to an end in December. Over three years, it has built a network of accessible business support programming for aspiring entrepreneurs and early-stage business owners in partnership with ten London boroughs. 2,560 people took part in the programme, and our evaluation showed that 94% of early-stage businesses have been sustained, 318 new businesses created and a projected 1,227 jobs will have been created by 2025. As ever, by working with public libraries our services have been able to reach a uniquely diverse group of aspiring business owners. Of all the new business owners, 70% were women, 55% were from a black and Asian minority ethnic background, 12% had a disability, and 26% had been unemployed.

The impact of the programme (funded by ERDF, JP Morgan Chase and Arts Council England) has been achieved despite the remarkably challenging economic circumstances resulting from the pandemic. One unexpected benefit has been the necessity to deliver many of the services online, and this meant we were able to reach more people across London beyond the participating boroughs (this made up over a third of our users). With the project having concluded, we are now working with our partners to transition to a sustainable long-term model. Waltham Forest has launched the first permanent service in Leytonstone and we are expecting others to follow suit next year.

Another programme coming to an end was our five-year ERDF-funded Innovating for Growth, which has focused mainly on supporting existing businesses to scale, and has supported over 400 to do so. 529 jobs have been created and 78 new to the market products and services have been launched. As with our Start-ups in London Libraries programme, the challenge now is to take what we've learnt from the five-year programme into sustainable service delivery.

The fifth annual Start-up Day, and fourth run in partnership with Santander, was held on 11 November during COP26 and Global Entrepreneurship Week. This year's theme was sustainability and how to become an environmentally responsible business. Twenty library authorities came together to co-create and deliver a day of relevant and engaging content which was delivered online and in person in some regional BIPCs. Sessions included 'How to put sustainability at the heart of your business' (hosted by Croydon Libraries), 'Doing good and making money' (hosted by BIPC Northamptonshire) and 'Developing a sustainable and green brand' (with BIPC North East). Over 1,650 attendees took part across 32 separate sessions, of whom 64% were women and 37% were from a black and Asian minority ethnic background.

Below: Participants networking at the Glasgow Start-up Day;
Right: Carolynn Bain, founder of Afrori Books in Brighton.







Culture

We engage everyone with memorable cultural experiences

Elizabeth & Mary: Royal Cousins, Rival Queens, sponsored by the Sir John Ritblat Family Foundation, ran from 8 October – 20 February, opening to a five-star review in *The Times*. Visitor numbers reached 29,080, as confidence gradually started to return across the sector. The show featured some of the Library's most exceptional 16th-century manuscripts and printed works, from Elizabeth I's stirring 'heart and stomach of a king' speech to Mary, Queen of Scots' ten page plea for freedom.

At the beginning of the year, we took the decision to extend the run of our previous year's *Unfinished Business: The Fight For Women's Rights* exhibition, supported by Joanna and Graham Barker, up to 1 August. We wanted to provide maximum opportunity for audiences to enjoy and be inspired by the show, following multiple lockdown closures during its original run. It looked at over 200 years of protests and campaigns for women's rights, attracting 8,217 visitors despite heavily impacted levels of visitor confidence across the sector, and

reaching a younger audience with 51% of visitors aged between 16–34.

As the year continued, further exhibitions opened to support the return of visitors to the site.

Paddington: The Story of a Bear, supported by Great Western Railways and the Unwin Charitable Trust, ran from 9 July – 31 October. Described by *The Daily Telegraph* as "a delightful bear hug of a show" it featured original illustrations, books, and video clips and attracted 20,000 visitors.

Beethoven's life and legacy was celebrated from 2 December 2021 – 24 April (2022), supported by the Brian Mitchell Charitable Settlement and a private individual, featuring the composer's own notebooks, tuning fork, and even a hand-scrawled laundry list. Completing our diverse offer of exhibitions was an Entrance Hall show, *Paul McCartney: The Lyrics*, showcasing previously unseen material from Paul McCartney's personal archive, running from 5 November 2021 – 13 March 2022. We continued to grow our touring

Left: *Elizabeth & Mary: Royal Cousins, Rival Queens*. Photo by Justine Trickett; Below: *Paddington: The Story of a Bear*. © P&Co. Ltd./SC 2021.



programme, even despite the continuing shadow of Covid-19. *Harry Potter: A History of Magic* (first shown at the British Library in 2018 before touring in New York) opened in Japan after a one-year postponement. Over 93,000 visitors saw the exhibition at Hyogo Prefectural Museum in Kobe between 11 September – 7 November before it toured to Tokyo Station Gallery where it was attended by over 98,000 visitors. Meanwhile, *Listen: The Story of Recorded Sound* was exhibited at Pingshan Library in Shenzhen between 20 August 2021 – 20 February 2022, in a successful new model of digital collection touring during Lockdown.

In the UK, *Miniature Books* toured to Newcastle City Library from 4 December 2021 – 13 March 2022. It celebrated the Library's creative campaign during the spring 2020 lockdown which invited children around the UK to help build a virtual library of Miniature Books. This was inspired by the Library's collection of tiny treasures, including miniature books hand made and bound by the Brontë sisters. Our *Treasures on Tour* programme, supported by the Helen Hamlyn Trust, continued with the loan of the Bodmin Gospels and a Cornish Passion poem to Kresen Kernow in Redruth from 23 October 2021 – 22 January 2022. And *Paddington: The Story of a Bear* travelled to Tullie House Museum in Carlisle where it delighted over 10,000 children and adults between 20 November 2021 – 20 February 2022, the first stop on a multi-venue UK tour. This year, the Library's Living Knowledge Network (LKN) grew to 31 library service partners, with Bristol, Coventry, Jersey, Kent,

Surrey joining. The network brings together library professionals from public and national libraries in the UK to share best practice and collaborate on cultural offers for library users. LKN webinars on a wide range of topics reached 1,262 professionals and were open beyond the 31 partners to reach 170 other services, including as far as Australia, China, and the USA. The Network also convened the first public libraries conference on the theme of climate change, with over 80 participants exploring the role libraries can play in tackling the challenge.

The LKN also collaborated on simultaneous UK-wide exhibitions linked to major British Library shows. Partner libraries exhibit shared panel displays but add in their own collection items and programme their own events on the exhibition themes.

This year saw the conclusion of the *Unfinished Business: The Fight for Women's Rights* exhibition. Seventeen LKN members partnered to reach 237,000 people either in person or online. And in February, 31 LKN partners launched a similar programme for the *Breaking the News* exhibition, supported by the Helen Hamlyn Trust and Newsworks ahead of it opening in St Pancras. Meanwhile, the Library's livestreaming programme included 27 events this year including collaborative programmes with partners such as the Hay Festival, the Royal Society of Literature, and Poet in the City. 8,625 people accessed events online while physical livestreams in partner libraries returned in the latter half of the year.

Leeds Light Night. Photo Abbie Jennings





The Living Knowledge Network's *Breaking the News* launch in Leeds. Photo © Lizzie Coomb.

In St Pancras, a number of new temporary displays took place over the year to further enliven our Treasures Gallery including *Miniature Books* (before it toured to Newcastle) and *Angela Carter: A Life in Writing*.

In recent years the Library has been growing its public offer in the Leeds city region, building on its longstanding heritage in Boston Spa and supporting its long-term ambitions for a new city centre location. This year, our Culture and Learning programme in Leeds engaged over 50,000 people. Our largest project was *Nature at Night* for Light Night Leeds. This created an immersive environment made up of new creative commissions inspired by and using Library collections. *Nature at Night* attracted over 26,000 people and was widely considered one of the most popular installations of Light Night. Other events included a partnership with Africa Writes for Leeds Lit Fest and a significant Library presence that engaged nearly 500 people at Thought Bubble, the UK's largest comics festival. Yorkshire-focused content also contributed to the Library's *Food Season*, sponsored by Kitchen Aid, and *Breaking the News*. The latter was a notable first for the Library, representing the advance launch of a major Library exhibition (which will show in St Pancras in 22/23) across the Living Knowledge Network of partner libraries. This opened with a panel to celebrate and debate the significance of regional news at Leeds Central Library, featuring the editor of the Yorkshire Post, James Mitchinson and other regional journalists.

We continued to collaborate with local partners in Leeds to co-create culture and learning opportunities for people in and around the city region. This year, this included a project developed

by theatre company Wrongsemble with primary school children and a community research project with the Kushy Dil Bangladeshi Women's group, both taking place in Beeston and Holbeck, the area of Leeds where Temple Works is located.

September 2021 was another key moment in the Library's return to physical engagement with audiences, with the long awaited return of in-person audiences for Cultural Events. The Library was able to build on the work done to create an online programme in 2020 by moving to a hybrid model, enabling audiences anywhere in the world to access a large percentage of our events. Attendance figures for live online viewing were just over 50,000, and our returning physical audience has been growing steadily month on month, reaching 7,000. We delivered nearly 200 events including appearances by Kae Tempest, Madhur Jaffrey, Brian May, Susie Dent and Michael Palin. The programme covered a vast range of topics from electronic music to the Mexican Day of the Dead via the Tudors and Caribbean cooking. We also welcomed the return of the Jaipur Literature Festival, back onsite for the first time since 2019, in an annual celebration of South Asia's multilingual literary heritage. By using a hybrid format of onsite and digital delivery, the Festival reached over 430,000 people.

A particular highlight was a large-scale celebration of the 50th anniversary of Bangladesh's independence with over 1,000 attendees, many from our local community in Camden. It was a powerful reminder of the importance of face-to-face cultural experiences, and a joy to see the Library's spaces so energised once more.



Learning

We inspire young people and learners of all ages

With UK schools reopening shortly before Easter in March 2021, the year that followed saw the Library's Learning Team transition from a largely digital and outreach programme, to a hybrid model that began to welcome back learners to our sites.

In June, school visits resumed for sessions on our *Unfinished Business: The Fight for Women's Rights* exhibition, which was followed by activity inspired by our subsequent shows *Paddington: The Story of a Bear*, and *Elizabeth and Mary: Royal Cousins, Rival Queens*. Autumn and winter workshops were fully booked, demonstrating a growing confidence and renewed appetite for in-person visits, greatly missed by schools during the course of the pandemic. New core workshops for Primary and Secondary education were piloted onsite, and our free offer for schools now spans storytelling, sound-focused creative learning, sacred texts, academic writing and research, oral histories of the Windrush

Generation and more. Participation onsite reached over 3,000 learners, with digital activities still supporting the majority of our 21,800 users.

Our Family Team also continued their outreach work through the creation and distribution of learning packs to disadvantaged families living in Camden and Islington, as well as across the country via our Leeds and National Outreach programmes, and in collaboration with the Living Knowledge Network.

To support our desire to welcome people back to the Library, we used the Paddington exhibition as an opportunity to develop a Marmalade Trail out on the St Pancras Piazza, a large-scale family day (with 50% of tickets offered to our local community), supported by Kusuma Trust, and a relaxed opening for families with children who have autism and other sensory needs. For Early Years learners, we

Left: Family Day fun. Photo by Jonathan Vine;
Below: On-site workshop for schools. Photo Richard Eaton.



worked with local children's centres, libraries and community partners, running 24 mid-week sensory storytelling workshops for disadvantaged parents in the exhibition space. And, in response to the Afghan refugee crisis, we partnered with Hopscotch Women's Centre over a six month period, delivering creative weekly sessions for Afghan families temporarily housed in Camden, and supporting their language acquisition, health and wellbeing.

We launched a new monthly programme of creative workshops for adults living with dementia and other neurological conditions. We also increased our work with adults with learning disabilities with groups visiting to take part in *Books Uncovered*, a workshop introducing participants to the Library and its collections. A new partnership project with Corali, a leader in dance created by artists with a learning disability, culminated in a special dance performance inspired by the national sound archive.

The success of the National Outreach programme, supported by The Goldsmiths' Company Charity, was also maintained during the year, reaching over 60,000 children nationwide through online campaigns, creative packs, CPD events and 'authors into schools' sessions. With the assistance of high-profile writers and illustrators, including Michael Rosen, Allen Fatimaharan, Axel Scheffler and Jane Porter, children have cooked up their own fairy tales, filled a famous bear's suitcase, and created superheroes for handmade comic books. Last year's successful miniature books project culminated in an exhibition in our Treasures Gallery, marking the first time contemporary works by children have been displayed in the space. The exhibition subsequently toured to Newcastle City

Library augmented by tiny volumes produced by a primary school in North Tyneside.

The Digital Learning Team continued to produce content online, as part of the Library's Unlocking Our Sound Heritage initiative. *A History of Recorded Sound* brings together a broad range of items from the Sound Archive, alongside objects, photographs and printed material. Audiences were invited to learn about every aspect of recorded sound, from the development of audio formats with changing technologies, to the the sociological phenomena around recording and transmitting sound, as well as the value of archiving and caring for our collections.

A second resource, *Speaking Out* has been designed for use with Key Stage 3 and 4 students exploring the nature of oratory. Centred on famous speakers from James Baldwin, and Nelson Mandela to Chimamanda Ngozi Adichie and Barack Obama, it provides students a chance to analyse the powerful use of voice and speech. The team also produced a Black literature timeline for secondary school learners, charting the rich history of Black writing in Britain through 50 texts. Authored by Gaverne Bennett and introduced by novelist Alex Wheatle, the timeline highlights literature across the centuries and up to the present day, woven together with digitised manuscripts, first editions and other material from the Library's collection. Following the timeline's digital launch in Black History Month 2021 (supported in partnership with *The Guardian*), in March 2022 we shared 6,500 printed poster copies with every Secondary school and Pupil Referral Unit across the UK, as well as with libraries within the LKN.

Below: A timeline produced as part of Black History Month 2021; Right: Corali, a dance company led by adults with learning disabilities. Photo by Jonathan Vine.







International

We work with partners around the world to advance knowledge and mutual understanding

This year brought a welcome, if gradual, return to face-to-face engagement with our global community of partners. This year, our engagement (both physical and digital) spanned 49 countries and well over 200 separate engagements, ranging from diplomatic visits to professional skills exchanges with library and information professionals. In the latter months of the year, this has included professional and diplomatic visits from India, Trinidad and Tobago, Mexico, Ukraine, Qatar and Peru.

One of our key priorities for our International purpose is to 'grow our capacity to support other institutions whose collections are at risk from war or civil emergency'. The invasion of Ukraine has deeply shocked the international library community, which stands in solidarity with the Vernadsky National Library and all Ukrainian libraries and archives. The Library is archiving websites in the UK web domain

relating to Russia's war in Ukraine, contributing to an international effort to protect digitised cultural heritage and ensure an accurate and truthful record of events.

Our Chief Executive Roly Keating completed his second and final three year term as Chair of the Conference of European National Librarians. It was another outstanding year of international co-operation between CENL's 49 members, with highlights including a conference hosted by the Royal Library of Belgium (covering topics ranging from climate change, artificial intelligence, and new digital services post-Covid), new funds to showcase diversity in national libraries' collections, and a Covid emergency grant scheme. These have awarded grants to initiatives such as improving digital technology equipment for training purposes and highlighting minority groups' experiences

Left: A show and tell for Mexican Ambassador Josefa González-Blanco in November 2021. Photo by Cecile Communal; Below: CENL conference at the Royal Library of Belgium in Brussels. Photo Royal Library of Belgium.



during the pandemic. The Library has also stayed actively involved with the International Federation of Library Associations, with five of our staff elected onto special interest and regional committees spanning from sharing experiences around document delivery to rare books and special collections with international professional partners.

In collaboration with the National Library of Jamaica and the Royal Library of Belgium, and with funding from CENL, we brought the global national library community together again with the National Libraries Now Conference. This was hosted online in September and we had around 700 participants, with over half from beyond Europe. Thirty-five countries were represented on a series of panels exploring the issues facing national libraries today, ranging from inclusion and access to digital transformation and tackling the climate crisis.

Our longstanding partnerships continued to flourish this year. While physical visits have been on hold, we have delivered a vibrant programme of digital content exchange. Curators and conservators across the partner institutions are producing reciprocal videos on best practice to share expertise on different aspects of collection care. Three videos have been produced by the Library and viewed over 25,000 times in China. Meanwhile, our digital presence in China via platforms such as the Weibo social network has grown considerably, with the

British Library achieving an increase of followers of 30.2% and recording 23.6 million impressions on the platform.

We continued to develop a wide range of bi-lateral partnerships with peer institutions around the world. We signed Memoranda of Understanding with the National Library Board Singapore (May 2021) and the National Central Library in Taiwan (January 2022). These collaborations will unlock a range of activity including digitisation of British Library material from the Chinese collection, research into the Dunhuang and Silk Road area, exchange of curatorial and curation expertise, and building a shared awareness of respective collection holdings relating to each partner's cultural heritage.

Elsewhere, we've worked with Bibliothèque nationale de France, Library of Congress, Bibliothèque et archives nationales de Canada and other partners in the US and Canada on the *France in the Americas* project. This is a new bilingual digital library aiming to bring together collections related to the French presence in North America, to which the Library has contributed 78 digitised books and 90 digitised maps, sketches and plans.

The preceding sections of this report show just how embedded international work continues to be across our public purposes, from our Endangered Archives Programme (see page 13) to a truly global cultural programme (see page 23).

Below: Online signing ceremony for the Memorandum of Understanding between the National Library Board, Singapore and the British Library; Right: 19th-century documents from the Peruvian asylum el Manicomio del Cercado (EAP1402).





Public Lending Right

The British Library administers Public Lending Right (PLR), the scheme through which authors are remunerated by the government for loans made by public libraries. In its distribution of the fund, the scheme recognises the value of such loans to the reading public and the right of authors and other contributors to receive payments for them. Authors, illustrators, translators, narrators and all others who have contributed to books subsequently benefit and are hugely supportive of it. The Library also administers Irish PLR on behalf of the Irish Government.

DCMS funding for the Public Lending Right remained unchanged for the PLR year 2020/21. During the year, the basis of the calculation of the Rate Per Loan has also remained unchanged. However, the borrowing figures from the sample libraries recorded between 1 July 2020 and 30 June 2021 were lower than in previous years as a result of the impact of the pandemic on physical access to UK public libraries. Whilst there are always annual variances in library borrowing figures, the difference in 2020/21 was greater than usual, with library loans data from sample libraries falling from 27.8 million to 15.3 million. The reduction in the total number of loans has led to an increase in the 2020/21 Rate Per Loan to 11.26p, from 9.55p in 2019/20, with £6,041,225 distributed to 20,475 rights holders within the payment threshold as compared to 20,911 in 2019/20.

These figures also reflect how, in general across the UK, physical loans of books from libraries fell while the number of virtual loans rose. This led to

a decrease in the number of print titles that were borrowed and an increase in loans of ebook, audio book and eaudio books during the same period.

While this had some effect on individual titles, with books available in all formats registering the highest number of loans, in terms of general reading patterns, the PLR year 2020/21 remained largely in line with previous years. Thriller writers remain popular. Once again, James Patterson topped the list of most borrowed adult authors while Lee Child's *Blue Moon* featured as the most borrowed adult print title. *The Long Call* by popular crime thriller writer Anne Cleeves was the most borrowed ebook and *The Thursday Murder Club* by Richard Osman, a newcomer to the PLR list, was the most borrowed title in all formats. Similar consistency in reading habits from previous years are reflected in children's books with Julia Donaldson featuring as the most borrowed children's author and J.K. Rowling's *Harry Potter and the Chamber of Secrets* as both the most borrowed children's title and the most borrowed audiobook.

A new PLR operating system has been in operation since May 2021. The feedback on it from both staff and users has been extremely positive, with PLR users quick to praise the improved user experience and the intuitive user interface. This has resulted in a substantial increase in registration by authors and creators. In 2021 there were approximately 48,000 new book registrations by 6,391 different users. This compares to an average over the previous 10 years (2010/20) of 23,503 book registrations per year by an average of 5,451 users per year.



Enabling Living Knowledge

Delivery of our Living Knowledge purposes is underpinned by a range of enabling activities which ensure that we maximise the resources at our disposal and continue to deliver a cost-effective service to world-class standards.

Finance and planning

Our Strategic Leadership Team engaged in the seventh year of a comprehensive corporate planning process, which continues to apply tight scrutiny to budgets – leading us into the final year of our Living Knowledge strategy period. This led to the renewal and refresh of the Financial Strategy originally approved by the British Library Board in 2015/16 to support Living Knowledge.

We have continued to suffer some impact of the global Covid-19 pandemic during the year due to restrictions impacting on footfall. The highest footfall in March was still only 73% of the footfall seen, pre-pandemic, in March 2019.

We have continued to over achieve some of our savings targets as well as recovering commercial margins. This has allowed us to protect and increase our reserve levels in the short term. However this is primarily due to spend being delayed due to slippage of plans, rather than cancellation of expenditure.

In March 2022 we received confirmation of our settlement from the UK Government Comprehensive Spending Review. This has provided a degree of certainty for the next three years.

In January 2022 we started to articulate the process to develop our strategy to 2030 – the successor to Living Knowledge. The financial strategy for the years ahead will inevitably require some further hard choices, and some difficult judgements about which investments are likely to contribute the greatest impact in making our intellectual heritage accessible to everyone, for research, inspiration and enjoyment.

Our overriding objective throughout this year has continued to be to balance our Living Knowledge For Everyone ambitions, our commercial and fundraising plans as well as looking at where we can make savings. The Library welcomes the legislation passed in April 2021 which enables the Library to borrow in future, in common with DCMS-

sponsored museums and galleries. This provides another financial tool for the Library to achieve its strategic aims in future.

Commercial strategy

This was another disrupted year with on-going restrictions and intermittent closures of our physical spaces. However we did start to see improvements on the previous year with sales reaching £10.59m. Our commercial gross profit margin was still 50% down on our pre-Covid performance, but a 318% increase on last year.

During periods of re-opening we started to see recovery of our on-site services and this provides confidence that our sales will continue to recover in line with visitor numbers. The team worked hard to operate safely within the restrictions and gradually re-opened services as visitor numbers increased. Omicron was a further set back and interrupted the recovery we started to see in autumn 2021.

We progressed a number of projects during the year, securing a new Box Office provider and recruiting a dedicated Box Office Manager which, we believe, will result in an improved customer experience and increased sales for our future exhibitions and events.

From a retail perspective, we adopted a cautious approach to buying during 21/22 but launched a new Christmas jumper, which sold out, along with a new initiative of gift boxes online which sold well for Christmas. We are also continuing to develop our wholesale activity helped by the launch of our new Alice in Wonderland range in 2022.

We saw a significant milestone in March 2022, as the publishing team launched our 100th Crime Classic, 'Death of a Bookseller', which is proving very popular with our trade customers.

Our exhibition catalogue for *Unfinished Business* was short-listed for the British Book Design and Production awards.

We experienced strong sales across the list, with a particular highlight being *Book Lovers Bucket List* and *Dragons, Heroes, Myths & Magic: The Medieval Art of Storytelling* by Chantry Westwell.

We continued the development of international licensing business with new licensees in China and talks underway for representation in new territories. This is a substantial and long term area of work that will take time to show significant returns but progress continues to be made.

Technology strategy

The Technology team have made considerable progress in putting in the foundations of the 2021 to 2023 Technology Strategy approved by the Board in February 2021. This includes the full rollout of a secure Microsoft 365 environment, expansion of the secure VPN for remote connectivity and the replacement of the entire British Library internal network. The focus now is on refreshing the Digital Storage and computer infrastructure and the upgrade of the corporate and public WIFI infrastructure.

As more colleagues return to more frequent working in the Library offices Technology teams have continued to improve and develop the hybrid working environment that has enabled the organisation to work more effectively both on-site and remotely. Microsoft Teams equipment has been installed to enable colleagues to participate in meetings as a group in an on-site location, but can also include off-site participants as if they were in the room together.

The Library's website is now more accessible with more than 40,000 pages updated. This was a major project, driven by both legislation and library policy, and marked a major investment in our web estate.

The Web Archive completed the 2021 UK Domain Crawl for this unprecedented period. This consisted of 15 million websites, 2 billion URLs resulting in 100 terabytes of downloaded content.

The new Public Lending Right (PLR) system successfully went live in the summer of 2021 (see page 34 for more).

In April, we launched the International Standard Name Identifier (ISNI) portal to a positive reception from users. ISNI is the ISO certified global standard for identifying the millions of contributors to creative works and those active in their distribution.

People strategy

We published our People Strategy in October 2021, setting out a progressive, challenging and instrumental response to key workforce challenges. It is deeply rooted in our values and research, with deliverables to drive culture change and policy reform in the years ahead.

New and different ways of working have been established in order to retain and attract talent. A careful and considered return to the workplace has been welcomed by the majority of staff, many of whom can use hybrid working and are now on site at least two days a week. A more formal smart working programme will be launched post-pandemic to ensure we create the right environment for people to be at their best.

We continue to make improvements on our gender pay gap, making considerable effort to close this through recruitment, retention and promotional opportunities, as well as mentoring, networking and diversity and inclusion training. The median gender pay gap at the Library for 2021 is 1.89%, against a provisional national median pay gap of 15.4%.

Although we compare well to both national and sector averages we are determined to eliminate our gender pay gap by 2023. In 2022 we will also publish our ethnicity and disability pay gaps with comprehensive plans to address disparities.

Our Pay and Grading Review has been progressing over the last year and will conclude

later in 2022 with the publication of the report and recommendations. With a public sector pay pause in 2021 this work has become more critical as we strive to ensure that our Pay and Reward remains fair, competitive and inclusive.

We have procured a new HR, Payroll and Recruitment System which will be launched in 2022 and will provide us with an opportunity to simplify our policies and processes and to improve the overall user experience. In addition, the system will provide us with improved data and analytics on our workforce, helping us remain flexible and attract and retain the right people in the right roles, it will enable HR to provide a more strategic role to the organisation, advising on workforce planning, succession planning and talent management activities.

In response to the last annual staff survey in 2019, an employee-led working group was set up to investigate the experiences of staff at the Library, and to make a series of recommendations for improvements. These are being implemented over a three year period and are already starting to make key improvements. We have strengthened our supervisory management in some areas where there were insufficient resources, and will imminently launch a new behaviours framework and will support employees in understanding how we live our values and our ways of working.

Our next annual staff survey will be in Autumn 2022 and will provide key insights into how staff are feeling, where we are successful and where we need to focus our efforts in order to make improvements. We have continued to survey our staff every quarter and feedback is considered by our senior leadership team and at planning meetings, ensuring that employees' voices are heard and can positively influence strategy.

In June 2020 we made a commitment to our staff and our users that we will become an actively anti-racist organisation and will take necessary steps to make it a reality. Six working groups then led on setting out the necessary actions to drive change in the following areas:

- People and HR Policies
- Behaviour, values and experiences
- Audiences
- Data, research and insights
- Collections and content
- Cataloguing and metadata
- Communications.

Their recommendations formed the basis of our Race Equality Action Plan which launched in January. This also included a key aim to address the long-standing lack of representation in senior management by recommending targets to increase black and minority ethnic representation in key areas, including a proposed headline target of 15% of staff in senior management grades by 2027.

The launch of a new Library Information and Archive Services (LIAS) apprenticeship scheme aims to encourage underrepresented groups into Library professions. The initial pilot scheme will see four candidates through the programme, two externally recruited and two secondees, with the intention of growing future cohorts.

A new early career strategy was set out in January 2022 outlining what we will do to support, encourage and diversify the cultural and heritage sector workforce, creating opportunities to learn, develop and be part of the Library.

Kickstart was a government supported scheme targeted at addressing youth unemployment via six month work placements. Working with our local communities we successfully appointed five candidates. Although it was a temporary scheme, Kickstart has supported our talent pipeline, with a particular focus on young people on universal credit, with the intention of enabling them to apply for permanent positions or apprenticeships.

The Library recruited its fifth cohort of apprentices in 2021, with eight apprentices starting in October. Additionally 10 apprentices completed their qualifications with seven of them securing a further role at the Library.

We launched a new work experience programme supporting those within our local community. To provide wider opportunities, we will be offering a new virtual work experience programme later in 2022.

2021 has been a challenging year with change as a constant theme. It has also provided us with a unique opportunity to accelerate and embed new ways of working. This wouldn't have been possible without collaboration, time and effort from not only the People Team but from our Senior Leadership Team, Trade Unions, Staff Networks and others.

Fundraising

Last year our supporters helped us to open up a world of ideas and opportunities, to enable people to do incredible things, whether starting a new

business, making a scientific breakthrough, or writing a book. Every contribution, small or large, made a difference so thank you to the individuals, trusts and businesses who supported us this year. Together our donors and sponsors have helped us to:

- Create powerful exhibitions and events that told fascinating stories
- Support entrepreneurs and their start-up businesses across the UK to survive and protect jobs through the pandemic
- Acquire astonishing new items for the nation
- Make our collection more discoverable and accessible for everyone
- Spark ideas and innovations at home, school or in the workplace.

This has been a remarkable year for acquisitions. We worked closely with the Friends of the National Libraries (FNL) and libraries and author house museums across the UK to fundraise for the Blavatnik Honresfield library. Thanks to an exceptional donation to the FNL by Sir Leonard Blavatnik, as well as donations from library supporters including The Bernard H. Breslauer Fund of The American Trust for the British Library, The British Library Collections Trust, The Ardeola Charitable Trust, the Vogel-Denebeim Family and many individuals, we will be acquiring seven extraordinary manuscripts by the Brontë sisters.

Looking ahead, we are delighted to have been one of only three organisations to receive a New Collecting Award from the Art Fund, to enable us to build our collection of modern and contemporary Arab visual cultures, focusing on artists' books, comics, graphic novels and more by artists in the region as well as diaspora communities.

Opening up access to our "hidden" collections remains a high priority and we are grateful to the Rothschild Foundation Hanadiv Europe, The American Trust for the British Library and Shores Charitable Trust for jointly supporting a new three-year curatorial post to catalogue and open up access to currently undiscoverable material in our world-class collection of Hebrew printed books. We are also grateful to The Ardeola Trust for their support of a new project to digitise, conserve and promote our collection of medieval manuscripts documenting the lives of Medieval and Renaissance women; and to The Getty Foundation for support for both the creation of a prints and drawings handbook, and for an upcoming major exhibition with accompanying catalogue.

Our exhibitions programme has continued apace, despite the continued global impact of Covid. We are grateful to the Sir John Ritblat Family Foundation for sponsoring *Elizabeth & Mary*; and to Great Western Railways and The Unwin Charitable Trust for supporting *Paddington: The Story of the Bear*, to the delight of around 20,000 young visitors and their families. *Breaking the News*, our spring 2022 major exhibition sponsored by Newsworks, opened in Leeds Central Library and others across the Living Knowledge Network in February. The launch of these local library displays was made possible thanks to support from the Helen Hamlyn Trust, and it marked the first time we have opened a regional exhibition across the network ahead of the London opening in April 2022.

Looking ahead, we are looking forward to *Gold*, thanks to support from BullionVault, the Goldhammer Foundation, The American Trust for the British Library, The John S Cohen Foundation, The Finnis Scott Foundation, The Owen Family Trust, The P F Charitable Trust and others who wish to remain anonymous.

Our Business and IP Centre programme has continued its strong support for entrepreneurs and SMEs across a national network of 100 regional and local centres. There was targeted support for start ups in London, thanks to the continued support of J P Morgan and Arts Council England, and across the UK with support from Santander.

We are delighted that Barclays has agreed a new partnership to support *Reset.Restart*, our Covid-19 support and recovery programme for SMEs for another year, with a national programme of workshops and live-streamed events.

In total, the Library received donations and sponsorship of just over £6m, at a rate of around 5.3% to Grant in Aid received.

The year ahead

While there remain some long-lasting impacts of the global Covid-19 pandemic, this year marks something of a return to our usual rhythm of corporate business planning. Looking ahead, our focus is on progressing with our ambitious set of strategic initiatives, while continuing to deliver impact across all our public purposes.

Deliver our purposes, on-site and online

- Launch a new Sounds website to improve access to sound heritage digitised through Save Our Sounds programme
- Continue to address backlogs in processing Print and Non Print Legal Deposit material as a result of Covid-19
- Deliver major new cultural exhibitions including *Breaking the News*, with an accompanying linked exhibition across Living Knowledge Network partner sites
- Deliver a new phase of *Reset.Restart* support for entrepreneurs across our Business & IP Centre network sites
- Grow participation in on-site schools programme back to pre-pandemic levels
- Reinstate the International Library Leaders programme in 2022, offering a residential learning experience for library professionals around the world.

Progress our strategic ambitions

- Continue to progress our planning application with London Borough of Camden for our development plans at St Pancras
- Secure approval for a Final Business Case for our Boston Spa Renewed plans, and begin construction works on site
- Work with CEG, Leeds City Council and West Yorkshire Combined Authority to deliver enabling works on Temple Works in Leeds
- Complete the final year of the DCMS-funded Business & IP Centre National Network expansion, reaching targets of 20 regional BIPCs and 90 local BIPCs.

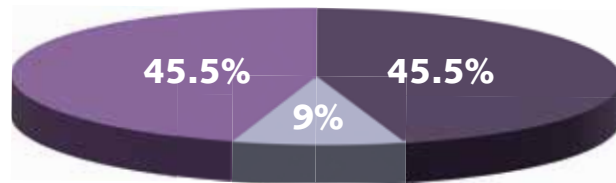
Enabling strategies

- Develop a successor corporate strategy to Living Knowledge, for the period 2023 to 2030
- Launch a Smart Working Programme to facilitate flexible working as staff return to the workplace
- Launch a new Diversity and Inclusion Strategy focusing on improving experiences and opportunities of underrepresented staff and continuing to embed the Race Equality Action Plan
- Progress foundational technology improvements including Wi-Fi refresh and other core systems
- Continue to stabilise and recover commercial income following the pandemic
- Complete major decarbonisation programme across St Pancras and Boston Spa estates
- Embed the new Public Lending Right system which was introduced this year
- Continue to fundraise in support of the Library's purposes, particularly around our major capital projects.

Key Performance Indicators

The measures marked¹ are those agreed with DCMS for the period 2021/22. Several of these are new and comparative prior year data is not available. Performance against DCMS measures can be summarised as follows:

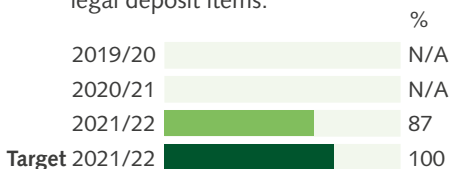
- performance within 1% or above target
- performance within 90–98% of target
- performance 89% or less of target



Performance in all areas continues to be impacted by the Covid-19 pandemic although most indicators show an improvement over last year now our services have reopened and activity is slowly returning towards pre-pandemic levels.

CUSTODIANSHIP *We build, curate and preserve the UK's national collection of published, written and digital content*

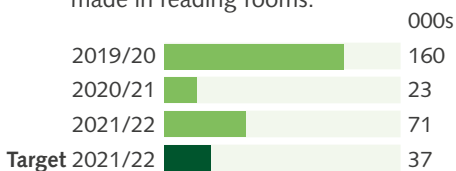
Percentage availability of newly received legal deposit content¹. Includes percentage availability of physical and digital legal deposit items.



Whilst material has largely been received as expected, backlogs in processing occurred during Covid-19 lockdowns which have not yet been fully caught up.

RESEARCH *We support and stimulate research of all kinds*

Number of reference and librarianship enquiries answered¹. Includes number of remote reference enquiries and enquiries made in reading rooms.



Visits to Reading Rooms have been higher than anticipated since reopening and Reading Room enquiries have been nearly four times target.

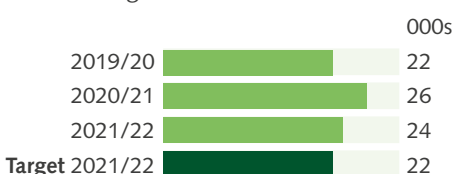
Items consulted online, onsite and through remote delivery¹. Includes physical and electronic items consulted in reading rooms, items consulted on the Library website, Collection items consulted on partner websites and items supplied remotely via the Document Supply service.



Items consulted on partner websites have performed exceptionally well and Reading Room visits and numbers of items consulted have been higher than anticipated although items supplied remotely via the Document Supply service has been 30% below target.

BUSINESS *We help businesses to innovate and grow*

Number of businesses and entrepreneurs supported¹. Includes the number of businesses and entrepreneurs supported through the BIPC National Network and the BIPC at the St Pancras site.



Closure of the Start-ups in London Libraries service and poor attendance at the Start-up Day impacted performance at the St Pancras BIPC but overall support for the National Network was 47% above target.

CULTURE *We engage everyone with memorable cultural experiences*

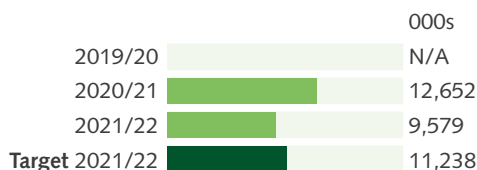
Number of British Library objects loaned out to other national and international venues for display, events and exhibitions¹. Includes the number of objects loaned for British Library events and touring exhibitions and those lent in response to interactive requests.



Performance reflects the opening up of venues for displays, exhibitions and events previously cancelled or delayed due to Covid. Requests from 3rd parties to borrow Library items were above target.

LEARNING *We inspire young people and learners of all ages*

Number of learners supported onsite, online and remotely¹. Includes under 18 and adult learners supported onsite, online and remotely, attendees of family, access and outreach events onsite and online and visits to the learning website.



Onsite and online sessions have performed well but the number of visits to the learning website has been 1.7m fewer than target.

INTERNATIONAL *We work with partners around the world to advance knowledge and mutual understanding*

Number of international engagements hosted. Includes diplomatic and professional visits to the Library and professional and other visits and excursions made by Library staff.



Activity has been slightly higher than targeted with a return to face to face engagements during the year.

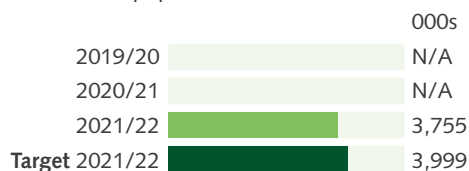
OUR REACH

Total visits to the British Library¹. Includes physical visits to the main St Pancras site, Knowledge Centre and Boston Spa site and visits to the Library website.



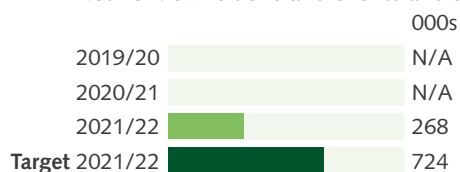
Physical visits to the St Pancras site have been 93% higher than target although numbers have not yet returned to pre-pandemic levels.

Visits to Library and services via partner sites¹. Includes physical visits to touring exhibitions, Living Knowledge Network exhibitions and events, BIPC National Network events and webinars, digital visits to the Qatar Digital Library and British Newspaper Archive sites and social media followers/likes.



The on-going impacts of the pandemic have adversely affected the touring exhibition schedule and attendances. Living Knowledge Network exhibitions, events and live screening also performed poorly.

Visits to Library content and services via Public Libraries¹. Includes physical and digital visits to Living Knowledge Network exhibitions and events and attendees at BIPC National Network events and seminars.



Living Knowledge Network exhibitions events and live screenings performed poorly whilst visits to the web pages exceeded target

OUR PEOPLE

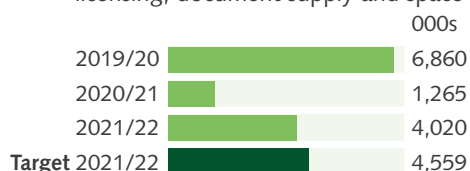
Employee engagement rating (out of 5). Based on responses to the "Your Voice" staff survey.



Employee engagement has been impacted by the return to the workplace and the difficulties experience in navigating the ongoing impacts of the pandemic on our workforce.

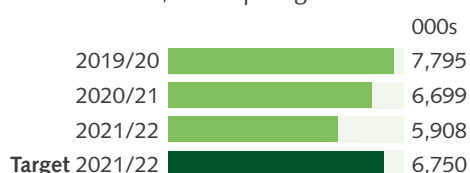
FINANCIAL AND ECONOMIC

Commercial margin¹. Includes gross margin (income less direct costs) of commercial activities such as ticket sales, licensing, document supply and space rental.



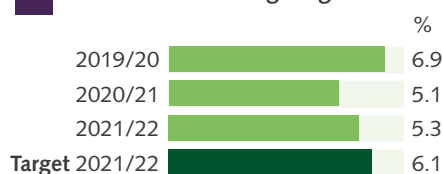
Commercial activity was heavily impacted by the pandemic lockdown in 20/21. The phased reopening of our sites during 21/22 has seen some recovery.

Charitable giving¹. Includes donations, legacies, bequests and similar income; donated objects; sponsorship; membership schemes; and capital grants and donations received and excludes funding from public bodies.



Ongoing impact of Covid-19 on projects and funding strands.

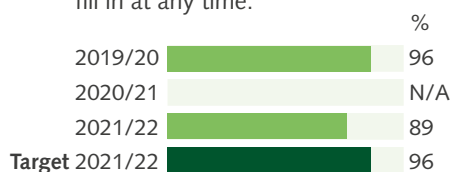
Rate of charitable giving. The ratio of charitable giving (above measure) as a percentage of Grant in Aid funding.



See charitable giving measure above.

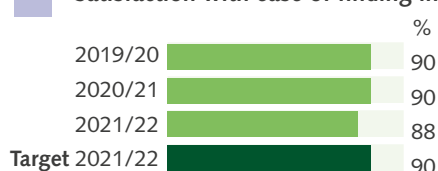
CUSTOMER SERVICE

Satisfaction with Reading Room services. Based on questionnaires placed on desks in the Reading Rooms which users can fill in at any time.



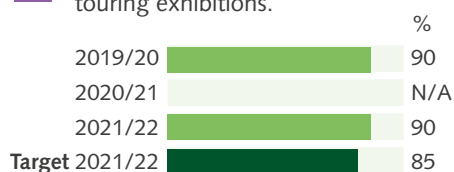
No surveys were carried out in 20/21 when the Reading Rooms were closed during Covid lockdown. Current areas of dissatisfaction include ease of ordering items, opening hours, lack of access to digital items outside the Reading Rooms and Wifi.

Satisfaction with ease of finding information on the Library's website. Based on online surveys.



Satisfaction has fallen amongst visitors to most areas of the website. No single cause has been identified. Work is being done to improve customer journeys on the website to address this.

Satisfaction with our exhibitions – customer enjoyment rating. Based on face to face surveys of visitors to onsite and touring exhibitions.



No surveys were carried out during 20/21 because the exhibitions were closed during Covid lockdown. Visitors to the Elizabeth and Mary exhibition rated satisfaction at 97%.

Grants and Donations

The British Library would like to thank all those who have given their support, including:

Donors, Funders and Supporters

The American Trust for the British Library
The Andor Charitable Trust
Arcadia – a charitable fund of Lisbet Rausing and Peter Baldwin
Art Fund
Arts and Humanities Research Council
Arts Council England
The BAND Trust
The Barakat Trust
Joanna and Graham Barker
John Clive Blake
The Bluston Charitable Settlement
William and Judith Bollinger
Breslauer Bequest
British Academy
The British Library Collections Trust
The Broderers' Charity Trust
Dr Michael and Anna Brynberg Charitable Foundation
The Cascia Trust
The Clore Duffield Foundation
The Clothworkers' Foundation
The John S Cohen Foundation
The Corcoran Foundation
The CPF Trust
Professor Tim Crawford
The Dorset Foundation
Dunhuang Foundation
The Eccles Centre for American Studies
Patricia G and Jonathon S England – British Library Innovation Fund
The Exilarch's Foundation and Dangoor Education
Belinda Fairthorne
Friends of the National Libraries
The Getty Foundation
The Goldhammer Foundation
The Goldsmiths' Company Charity
Great Britain Sasakawa Foundation
The Helen Hamlyn Trust
The Hellenic Foundation
The Hintze Family Charitable Foundation
The Robert H N Ho Family Foundation
The Hobson Charity

Peter and Krystyna Holland
The Idlewild Trust
Professor Heather Jackson
Jerwood Arts
Michael G Katakis
Professor Edmund King
The Kirby Laing Foundation
Kusuma Trust
The Leverhulme Trust
Mainz Charitable Trust
The Michael Marks Charitable Trust
Brian Mitchell Charitable Settlement
Akshata Murty
National Heritage Lottery Fund
The National Heritage Memorial Fund
The National Library of Israel and the Friedberg Jewish Manuscript Society
National Central Library, Taipei
Old Possum's Practical Trust
Owen Family Trust
The David Pearlman Charitable Foundation
P F Charitable Trust
Robert Pierce
Mark Pigott KBE, KStJ
The Polonsky Foundation PRS Foundation
Qatar Foundation
John Reeve
Research Councils UK
The Sir John Ritblat Family Foundation
Professor John H Robinson
Michael Rooze
Stuart Rossiter Trust
The Rothschild Foundation (Hanadiv) Europe
The Ruddock Foundation for the Arts
The Finnis Scott Foundation
Shouky and Doris Shaheen
Shandong University
Shoresh Charitable Trust
Sino-British Fellowship Trust
Bei Shan Tang Foundation
The Steel Charitable Trust

The Truemark Trust
The Tuixen Foundation
The Garfield Weston Foundation
Harold Hyam Wingate Foundation

British Library Patrons

Chairman's Circle

Joanna and Graham Barker
Sir Trevor and Lady Susan Chinn
Donna Ockenden

Curators' Circle

Lord and Lady Egremont
Dr Ruth Massie-Rose and Mr Julian Rose
Mark Redman
Ms Louise Service OBE
S and C Westwell

Patrons

The BAND Trust
Sir Nicholas and Lady Bacon
David and Kate Barclay
Esther Baroudy
Philip ten Bosch and Catja de Haas
Jonathan and Hilary Callaway
Lord Charles Cecil
James and Victoria Corcoran
Chris and Eddie Dapré
Michael Diamond
Elinor Evans
Jane Fogg & Steve Edge
Sam Fogg
Richard Godden
John Harding
Edward and Victoria Harley
Sir Rupert Jackson
Lesley and Brian Knox
Professor Michael Lapidge
Sir Michael Palin
Mark Robbins
Stephen and Roberta Rosefield
Sarah Smith
Francesca Valli
Mark Vogel and William Denebeim
Linda Wain
The Duke and Duchess of Wellington Charitable Trust
Mr & Mrs Michael Wilson

Benefactor Members

Cam Andrever
 Stephen Barnham
 Dame Carol Black
 Julia Boyd
 Kai-shun Adrian Chan
 Anthony Diamond
 Ernest Fasanya
 Jane Gilbert
 Amritpal Gill
 Lord Janvrin
 Helen Potts
 Patricia Puttnam
 Pitchayapa Siridetkoon
 Roger Worrell

Desk & Chair Naming

Majid Dawood

Adopt a Book

Tim and Louise Cranny
 Chris and Eddie Dapré
 Christine Diwell
 Matthew Greenburgh
 And many others.

We are very grateful to everyone who has pledged and given a legacy to the British Library.

Companies

Bloomberg LLP
 BullionVault
 Great Western Railway
 JP Morgan Chase Foundation
 KitchenAid
 Newsworks
 RELX Group
 Santander UK plc
 Viking Cruises

Patrons and Benefactors of National Life Stories

Dame Jenny Abramsky
 The Arcadia Trust – a charitable fund of Lisbet Rausing and Peter Baldwin
 Sir John Baker
 Christine Buccella
 The Gabo Trust
 Christopher and Gilda Haskins

Henry Moore Foundation
 Bill Knight
 Lesley Knox
 Margaret Lipworth
 Yale Center for British Art
 Tom, Polly and Ed Vaizey

American Trust for the British Library

Chairman's Council
 Katherine Ashton Young
 Virginia Barbato
 R Dyke Benjamin
 Robert Birch
 Nancy K Boehm
 Elizabeth A.R. and
 Ralph S Brown, Jr
 William T Buice, III
 Stephen J Bury
 Dana Clay
 Lauren Cramer
 The E Rhodes and Leona B
 Carpenter Foundation
 Jay and Jean Entwistle
 Joan M Friedman
 Sumit Guha
 Richard P Henke
 Art Holzheimer
 Cheryl Hurley
 Evalyn lee
 Jon Lindseth
 James Marrow and Emily Rose
 Robert McCarthy
 Catherine Morrison
 Peter N Heydon
 Peck Stacpoole Foundation
 The Philip and Irene Toll Gage
 Foundation
 Howard Phipps, Jr
 Ruth Robinson
 Barbara A Shailor
 Felicia Shapiro
 Merle Shapiro
 Tessa Smith
 James P Spica
 William P Stoneman
 Susan Jaffe Tane
 Gwendolyn van Paasschen
 Justin Zaremby

Governmental Funders

Department for Digital, Culture, Media and Sport (Grant in Aid)
 Department for Business, Energy and Industrial Strategy (Public Sector Decarbonisation Grant deployed by Salix Finance)
 European Regional Development Fund (deployed by Greater London Authority)

And others who wish to remain anonymous.

STATEMENT OF THE BRITISH LIBRARY BOARD'S AND ACCOUNTING OFFICER'S RESPONSIBILITIES

Under the British Library Act 1972, the Department for Digital, Culture, Media and Sport has directed the British Library to prepare for each financial year a statement of accounts in the form and on the basis set out in the accounts direction. The accounts are prepared on an accruals basis and must give a true and fair view of the state of affairs of the Library and of its net incoming resources, recognised gains and losses, and cash flows for the financial year.

In preparing the accounts, the Accounting Officer is required to comply with the requirements of the Government *Financial Reporting Manual* and, in particular, to:

- observe the accounts direction issued by the Department for Digital, Culture, Media and Sport, including the relevant accounting and disclosure requirements, and apply suitable accounting policies on a consistent basis
- make judgements and estimates on a reasonable basis
- state whether applicable accounting standards as set out in the Government *Financial Reporting Manual* have been followed, and disclose and explain any material departures in the financial statements
- prepare the financial statements on a going concern basis
- confirm that, so far as they are aware, there is no relevant audit information of which the British Library's auditors are unaware and that they have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Library's auditors are aware of that information
- confirm that the Annual Report and Accounts as a whole is fair, balanced and understandable and that they take personal responsibility for the Annual Report and Accounts and the judgements required for determining that the Annual Report and Accounts are fair, balanced and understandable.

The Department for Digital, Culture, Media and Sport has appointed the Chief Executive as Accounting Officer of the Library. The responsibilities of an Accounting Officer, including responsibility for the propriety and regularity of the public finances for which the Accounting Officer is answerable, for keeping proper records and for safeguarding the Library's assets, are set out in *Managing Public Money* published by HM Treasury.

There is a clear division of responsibility between the Chairman and the Chief Executive. The Chairman is responsible for the leadership of the British Library Board, ensuring its effectiveness on all aspects of its role. They facilitate both the contribution of Board members and also constructive relations between the Board and the Executive. They represent the Library to its external stakeholders at the highest levels. The Chief Executive has responsibility for the overall organisation, management and staffing of the Library, for the formulation of strategy and for the successful delivery of results. As Accounting Officer, they are responsible for its procedures and controls in financial and other matters.



Dame Carol Black
Chair

8 July 2022



Roly Keating
Chief Executive
and Accounting Officer

8 July 2022

FINANCIAL REVIEW

Overview of financial position

The overall financial performance for the year continued to be affected by the impacts of the Covid pandemic particularly at the start of the year when the Reading Rooms and Exhibition galleries were closed. With the major impact of the pandemic on the previous year's performance any year-on-year comparisons need to be considered against this context.

The British Library's income for 2021/22 was £141.4m, (£125.9m in 2020/21), of which £110m or 78% was Grant in Aid (£108.2m or 86% in 2020/21). Grant in Aid is the Library's primary source of funding, received from the Department for Digital, Culture, Media and Sport (DCMS).

In April 2021 the Secretary of State announced the Library's Grant in Aid for 2021/22. This included an additional £1.2m required to compensate for an increase in employer pension contributions payable as part of the Government review of the Principle Civil Service Pension Scheme's and Civil Service and Other Pension Scheme's funding and £4.4m for the continued expansion of the Business and Intellectual Property Centres. Additional Grant in Aid to fund capital expenditure was also provided to progress the next stages of the Boston Spa Renewed programme (£8.6m) and £1.3m from the Museums Infrastructure Fund to progress urgent repairs to the Library's estate.

Donations and legacy income was £20.1m, (£9.5m in 2020/21). The contributions from philanthropic donations, research grants and funding for major projects, which included a National Lottery Heritage Fund

grant towards the *Save our Sounds* project and funding for the *Endangered Archives Programme*, alongside generous pledges and donations from private individuals and trusts, continue to provide critical funding in support of the Library's purposes. In addition, the Library received a substantial Public Sector Decarbonisation Scheme (PSDS) grant of £7.9m to fund decarbonisation works during the year.

Income from the provision of charitable and other trading activities was £10.8m, (£8.0m in 2020/21), an increase of 35% on last year. Income from onsite retail, publishing and exhibition ticket sales improved on the previous year which was a consequence of the lower visitor numbers resulting from the closure of the buildings during 2019/20 and limited access during the rest of the year due to the pandemic situation. Although visitor numbers and the associated income did recover to some degree during the year it was still below historic levels and was further affected by the Omicron variant in early winter. Income from Document Supply and other services reliant on physical access to the collections showed an improvement on the previous year as more staff were gradually able to come onsite. Income from leasing out office space in our St Pancras building was in line with last year whilst sales of commercial and cultural events and membership also showed a level of recovery from the pandemic situation.

Investment income was £0.1m (£0.2m in 2020/21). The historically low interest rates continued through-out

the year leading to a reduction in the returns achievable. Resources expended were decreased to £127.3m in the year (£128.7m in 2020/21). The gradual re-opening of services and unwinding of the pandemic emergency financial plan has led to expenditure on direct costs for those areas affected increasing during the year but the overall levels have been contained by several factors. The post-pandemic labour market has led to some recruitment difficulties reducing the overall pay bill against last year and there was also slippage in major programmes resulting from this situation and delays due to the disruption of supply chains, with the associated funding being held in reserves. The depreciation charge for the year also reduced due to a downwards revaluation to plant and machinery in 2020/21.

Revenue expenditure on acquisitions for the collections was £7.6m (£7.1m in 2020/21). Although revenue expenditure on acquisitions increased, the impact of the pandemic on both the supply chain and the pace at which we have been able to develop our purchased collections was still affected and spend was below historic levels. Capital expenditure was £0.7m (£0.5m in 2020/21), with the acquisition of a number of heritage items supported by £0.2m in donations and grants. A payment of £1.2m was made in year to the Friends of National Libraries to help secure the Blavatnik Honresfield Library collection for the nation. Due to ongoing negotiations at the year-end this has not yet been recognised on the Fixed Asset register and is recorded within prepayments on the Library's Balance Sheet.

FINANCIAL REVIEW (CONTINUED)

We received five donated collections totalling £0.3m. The Public Lending Right (PLR) Grant in Aid allocation for the year was £6.6m (£6.6m in 2020/21). Total PLR payments made in 2021/22 were £6m, paid to 20,475 authors (£6m paid to 20,911 authors in 2020/21). The rate per loan approved was 11.26 pence (9.55 pence in 2020). PLR expenditure included £12,703 unpaid at the year end because some authors' addresses and/or bank details are unknown to PLR, or because authors' assignees have not made probate claims within the preceding six years (£12,778 last year). All approvals and payments reported relate to the previous PLR year.

The Library has established procedures to ensure that the cost allocation and charging requirements set out in HM Treasury and Office of Public Sector Information guidance are met.

The Library is included in a Government scheme which gives exemption from certain spending controls to organisations in the Museums and Galleries sector.

Over the year, there was a net increase in funds before revaluations of £14.3m, which was comprised of a £10.3m increase in general funds, a £0.8m increase in fixed asset funds, and a £3.2m increase in restricted and designated funds.

Revaluations, including desk top exercises for both the St Pancras and Boston Spa sites, resulted in a £31.4m revaluation gain on Fixed Asset Funds in the year. Both exercises were undertaken by professional property advisors.

Reserves

At 31 March 2022 the British Library's reserves were as follows:

	£m
Permanent endowment	3.7
Expendable endowment	13.8
Restricted funds	13.5
Unrestricted funds	
Fixed asset reserve	467.7
Revaluation reserve	502.0
Donated asset reserve	30.6
Other designated funds	6.6
General Funds	51.9
Total funds	1,089.8

Endowments, restricted and other designated funds are set aside for defined purposes and include £3.7m in permanent endowment funds which cannot be used to fund current expenditure.

The fixed asset, revaluation and donated asset reserves are fully employed in the operation of the Library and are not available for other purposes. As part of the annual planning and budget setting process, the British Library Board reviews and approves the level of readily available reserves appropriate to the scale, complexity and risk profile of the Library.

The overall objective of the Library's Reserves Policy is to provide continuing assurance that the solvency of the British Library will not be put at risk by short-term variations in income or expenditure levels and to create an appropriate level of resource capability to allow the Library to respond to unforeseen challenges or opportunities arising within the financial year. Levels of unrestricted funds, both current and forecast, will be kept under close-scrutiny to ensure that they do not fall below the levels necessary to provide an

adequate level of cover and are reported as part of the quarterly financial monitoring process. The Reserves Policy and the financial provision to be made within it are reviewed annually by the British Library Board within the context of the assessed financial and business planning environments and taking account of assessed levels of risk.

The target level of general provision will be calculated, within a range, against risks to its main unrestricted income streams as set below:

- Grant in Aid – minimum of 2% to a maximum of 10%
- Trading Income - minimum of 25% to a maximum of 50%
- Unrestricted donations – minimum of 25% to a maximum of 50%.

Where reserves are in excess of the current requirement consideration will be given to releasing them to fund new projects and activities within the categories below and following approval by the Board:

- Invest to Save projects – activities where the investment will lead to ongoing savings in the running costs of the Library. These will be assessed by the level and timing of the payback on the investment.
- Invest to Grow projects - activities where the investment will lead to increased income to the Library after offsetting the costs to deliver the service. These will be assessed by the level and timing of the payback on the investment.
- Strategic Options – activities that are critical to the delivery of the latest strategy as envisaged and approved by the Board.

In total, General Reserves at 31 March 2022 were £51.9m of

which £2.9m relates to non-cash prepayment adjustments in relation to serials. Taking account of the current level of risk, the following reserve levels were agreed by the British Library Board:

- £3.0m restructuring reserve
- £13.9m in relation to earmarked funds for the major Portfolios and Programmes
- £2.8m for expenditure carried over from the current year
- £4.0m financial planning commitment in relation to technology refresh and a replacement Library Management system
- £10.1m for future planning commitments in response to the Covid pandemic
- £15.2m general provision, which is within the Library's target level.

The reserves policy has been developed and approved in the context of the current economic climate and, in line with HM Treasury guidance, is being utilised to help deliver a balanced three year financial plan for the period 2022/23 to 2024/25.

Investments and financial risks

The Library holds a number of Trust and Restricted funds which, although each is self-contained, are pooled under the title of a Common Investment Fund for investment purposes. The Board determines the overall investment return objectives and acceptable risk tolerances for the Common Investment Fund.

The Board recognises the risk of short term volatility or longer term depression in values associated with investing in equities and other asset classes and maintains a relatively conservative attitude to risk. The Library's investments are held in two

Diversified Growth Funds (DGF), managed by Baillie Gifford and Ninety One plc, having different but complementary market outlooks to manage this risk. The portfolio saw its investments grow gradually during the year until February when the financial markets dropped in reaction to the Russia/Ukraine situation and pandemic concerns in China.

The Library's goals are firstly to preserve at least the real purchasing power of its investment portfolio over time whilst secondly setting spending policies at a level that maximises sustainable spend without prejudicing the first goal. The overall investment objective is to achieve a total return on investments of RPI plus 3% per annum over a rolling 5 year period.

Performance is monitored annually against target and the investment policy and strategy is reviewed every three years.

At the start of the year, fund values stood at £25m. During the year, there were disposals of £0.1m to fund management fees. Performance on the global financial markets resulted in a £0.2m gain during the year, none of which was realised and at the end of the year investments stood at £25.1m.

Investments held as fixed assets are included at market value at the year-end. The Statement of Financial Activities (SOFA) includes any realised and unrealised investment gains and losses arising on revaluation and disposals throughout the year.

Payment of creditors

The Library observes the principles of the Better Payment Practice Code, and it is the policy of the British Library Board to pay all

creditors within 30 days of the invoice receipt unless separate arrangements have been agreed with the supplier. For the year ended 31 March 2022, 95% of invoices were paid within the agreed 30-day period (94% in 2020/21), against a target of 90%.

Related party transactions

Details of related party transactions are disclosed on page 94 at note 22.

Code of best practice on corporate governance

In accordance with HM Treasury Code of Good Practice and Chapter 3 of *Managing Public Money*, the Annual Governance Statement is included on pages 60 to 65 of this report.

So far as the Accounting Officer and the British Library Board are aware, there is no relevant audit information of which the Library's auditors are unaware, and the Accounting Officer and British Library Board have taken all the steps that they ought to have taken to make themselves aware of any relevant audit information and to establish that the Library's auditors are aware of that information.



Dame Carol Black
Chair
8 July 2022



Roly Keating
Chief Executive
and Accounting Officer
8 July 2022

REFERENCE AND ADMINISTRATIVE DETAILS

The following organisations were the Library's principal suppliers of professional financial, legal and investment services during 2021/22:

Lloyds Bank plc

25 Gresham Street
London EC2V 7HN

Barclays Bank

49 High Street
Stockton-on-Tees TS18 1AH

Deloitte LLP

1 New Street Square
London EC4A 3HQ

Government Banking Service

Premier Place
Devonshire Square
London EC2M 4BA

Santander Corporate Banking

2 Triton Square
Regent's Place
London NW1 3AN

Comptroller and Auditor General

National Audit Office
157–197 Buckingham Palace Road
London SW1W 9SP

Baillie Gifford & Co Edinburgh

Calton Square
1 Greenside Row
Edinburgh EH1 3AN

Ninety One Plc

55 Gresham Street
London EC2V 7EL

Mills and Reeve

24 King William Street
London EC4R 9AT

Farrer & Co

66 Lincoln's Inn Fields
London WC2A 3LH

Veale Wasbrough Vizards

Narrow Quay House
Narrow Quay
Bristol BS1 4QA

PwC

Central Square
29 Wellington Street
Leeds LS1 4DL

Carter Jonas

1 Chapel Place
London W1G 0BG

KPMG LLP (UK)

One Snowhill
Snow Hill
Queensway
Birmingham B4 6GH










SUSTAINABILITY REPORT

The Library recognises that its activities impact on society and the environment at local, regional and global levels through the resources it consumes, the waste it produces, the travel and work patterns it encourages amongst

its staff and the products it buys. The Library needs to provide stable and reliable collection storage while seeking to minimise the impact that its buildings and operations have on the environment.

The Library has adopted the latest 'Greening Government' targets (re-baselined for 2020/21 onwards) and is currently on track to meet these by 2025/26.

Progress in 2021/22 towards Greening Government Commitment targets for 2025/26 (against a 2017/18 baseline)

Requirement	2017/18 baseline	2021/22	% change	Status
 Reduce Greenhouse Gas emissions by 58%	10,464 tonnes CO ₂ e	6,618 tonnes CO ₂ e	37%	On track
 Reduce direct Greenhouse Gas emissions by 25%	2,305 tonnes CO ₂ e	2,883 tonnes CO ₂ e	-25%	See below ¹
 25% of car fleet to be ultra-low emission vehicles by 31 December 2022	0%	0%	0%	See below ²
 Reduce the number of domestic business flights by 30%	28	0	100%	On track
 Reduce the overall amount of waste generated by 15%	457 tonnes	227 tonnes	50%	On track
 Reduce waste sent to landfill to less than 5% of overall waste	0%	0%	0%	On track
 Increase the proportion of waste recycled to at least 70% of overall waste	66%	73%	10%	On track
 Reduce paper consumption by at least 50%	3,412 A4 reams equivalent	1,975 A4 reams equivalent	42%	On track
 Reduce water consumption by at least 8%	50,699 m ³	41,396 m ³	18%	On track

¹ Gas emissions at our Boston Spa site increased from 1,266 tonnes CO₂e in 2017/18 to 1,735 tonnes CO₂e in 2021/22 due to increased use of a gas fired tri-generation plant at that site. There was a corresponding decrease in electricity emissions from 1,951 tonnes CO₂e in 2017/18 to 854 tonnes CO₂e in 2021/22. Total scope 1 and 2 emissions at Boston Spa have decreased from 3,217 tonnes CO₂e in 2017/18 to 2,589 tonnes CO₂e in 2021/22.

² The Library has two vehicles which are typically replaced every 5 years. There will be no progress against this measure until the vehicles are next replaced.

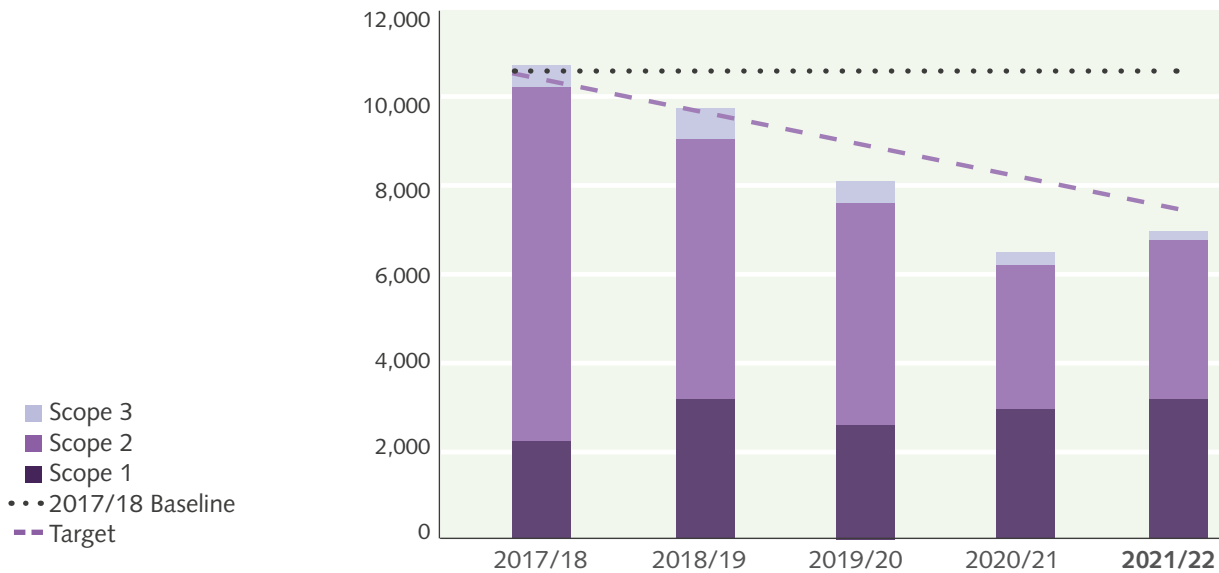
Mitigating climate change: working towards Net Zero by 2050

The Library has set an overall goal to achieve net zero emissions by 2050, compared to 1990 levels. This is in line with the UK Government's commitments expressed in the 'Climate Change Act 2008' (with 2019 target amendments). We are in the process of formulating new strategies, in order to determine how we shall meet this goal. In recognition of the potential impacts of climate change, the British Library Board endorsed a new strategic risk in this area in 2021, setting out the actions required by the Library to contribute to Government targets to reduce the likelihood of environmental disasters.

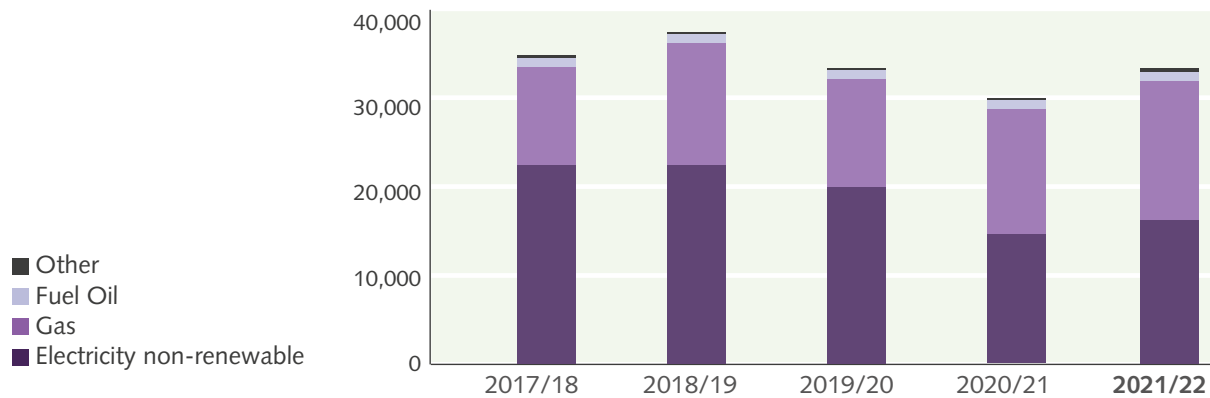
Public Sector Decarbonisation Scheme

A major achievement in 2021 was to receive a Public Sector Decarbonisation Scheme (PSDS) grant to undertake substantial decarbonisation works at both sites, which will help the Library as a whole to become more sustainable and reduce its carbon emissions in the coming years. The funding covers ten projects, including solar panels and LED lighting for both sites. A ground source heat pump system is being developed for Boston Spa to decarbonise the heating system. The first work began in summer 2021 with anticipated completion of all projects in summer 2022. Total savings of 990 tonnes CO₂e are predicted, which will be a significant step change in progress.

Greenhouse Gas Emissions (tonnes CO₂e)



Energy consumption (MWh)



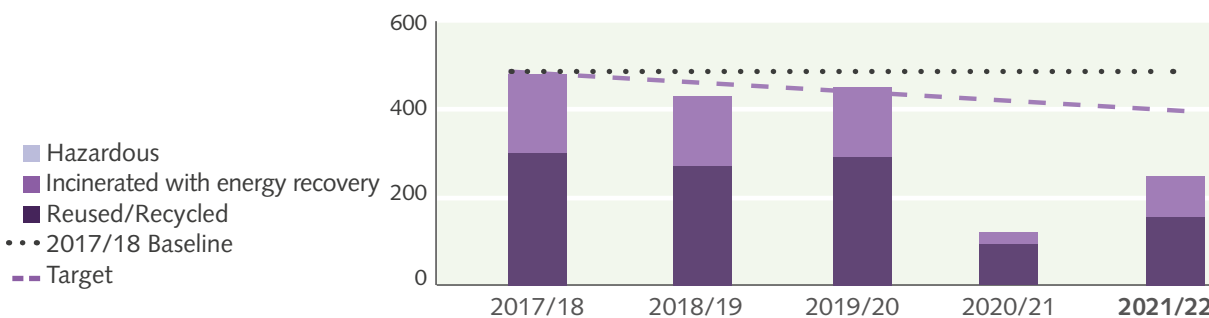
Greenhouse gas emissions		2017/18	2018/19	2019/20	2020/21	2021/22
Non-financial indicators (tonnes CO ₂)	Scope 1					
	Gas	2,208	2,718	2,450	2,506	2,728
	Fuel oil	0	0	0	0	1
	Owned fleet	5	5	8	0	4
	Fugative emissions ¹	92	240	156	183	150
	Total scope 1	2,305	2,963	2,614	2,689	2,883
	Scope 2					
	Electricity	7,821	6,281	5,148	3,734	3,629
	Total scope 2	7,821	6,281	5,148	3,734	3,629
	Scope 3					
Official travel	234	393	222	7	16	
Delivery and distribution	104	104	101	57	90	
Total Scope 3	338	497	323	64	106	
Total scope 1,2,3	10,464	9,741	8,805	6,487	6,618	
Related energy consumption (MWh)	Electricity: non-renewable	22,247	22,188	20,142	16,017	17,093
	Gas	11,988	14,774	13,325	13,623	14,893
	Fuel oil	70	167	21	270	486
	Other	27	27	30	1	14
	Total energy consumption	34,332	37,156	33,518	29,911	32,486
Financial indicators (£000)	Expenditure on energy	2,513	2,830	2,810	2,453	2,895
	CRC allowances expenditure	188	168	–	–	–
	Expenditure on official travel	526	678	498	18	85

Minimising waste and promoting resource efficiency

We employ a hierarchy of waste prevention: re-use, recycling, energy recovery and treatment/disposal. No waste is sent direct to landfill. All non-recyclable waste is incinerated to provide energy. Food waste is sent for anaerobic digestion, creating both fertiliser and gas for energy generation. We have stopped selling drinks

in plastic bottles at our catering outlets to reduce Consumer Single Use Plastic waste. The closure of the Library's buildings to the public as a result of Covid-19 has significantly reduced waste material for 2021/22 meaning our Greening Government waste reduction target has been met and exceeded in this period.

Waste volumes (excluding construction), by disposal route (tonnes)



Waste (excluding construction)			2017/18	2018/19	2019/20	2020/21	2021/22
Non-financial indicators (tonnes)	Hazardous	Total	-	-	-	-	-
	Non-hazardous	Construction waste to landfill	-	-	-	-	18
		Reused/recycled	302	265	234	56	146
		Food waste anaerobically digested ¹	N/A	N/A	64	4	19
	ICT waste recycled, reused and recovered ²	N/A	N/A	N/A	N/A	4	
	Incinerated with energy recovery	155	146	138	29	61	
	Total waste		457	411	436	89	248

Financial indicators (£000)

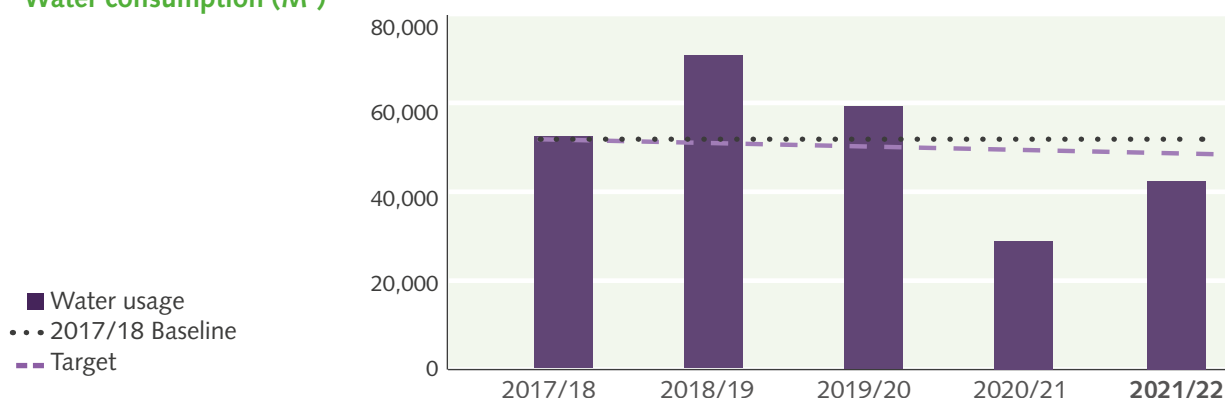
Costs of waste disposal are embedded within service contracts. The actual element that relates to removal of waste is not identified separately.

^{1,2} These categories are being reported on separately for the first time in 2021/22. Comparatives are disclosed where the data is available. In previous years these elements were included within the reused/recycled and incinerated with energy recovery categories as appropriate.

Reducing our water use

Office benchmarks for water consumption and reduction are not suitable for St Pancras as approximately 60% of water used is for cooling of Reading Rooms, collection storage areas, public exhibition spaces and the Knowledge Centre. Replacement of our cooling towers resulted in higher than usual water consumption in 2018/19. The closure of the Library's buildings to the public as a result of Covid-19 has continued to significantly reduce water consumption during 2021/22.

Water consumption (M³)



Finite resource consumption			2017/18	2018/19	2019/20	2020/21	2021/22
Non-financial indicators (M ³)	Scope 2	Purchased	50,699	70,014	60,198	27,377	41,396
Financial indicators (£000)	Water supply and disposal costs		114	165	139	76	121

Procuring sustainable products and services

The Library complies with DCMS/ Crown Commercial Service's sustainable procurement policies, but our existing contracts do not yet contain requirements for supply chain reporting. Our supply chain management policy states our commitment to responsible procurement including promotion of continuous improvement in the reduction and efficient use of energy, water and raw materials and to verify suppliers' environmental policies and procedures, working towards continuous improvements in sustainability.

The British Library's agreements for the provision of food and catering services across both public and staff facilities currently meet the majority of the Government buying standards. These include compliance with the key impact areas such as Production Standards, Traceability, Authenticity, Origin of Meat and Dairy and Animal Welfare. In other areas the British Library will continue to engage with all contractors and their supply chains and work towards achieving all minimum standards.

Adapting to climate change

Our St Pancras site is not located in an area of flood risk. Nevertheless, the building design incorporates extensive flood defence measures to protect its deep basements. There are other measures including substantial solar shading, landscaping and planting and some rainwater harvesting. The building is well insulated and able to adapt to increased external temperatures. Heating plant has been reduced and cooling plant resilience increased. An energy reduction plan is in progress as described previously.

Our Boston Spa site is not located in an area of flood risk. It has good groundwater drainage including underground water attenuation and a sustainable drainage system to manage storm events. The new storage buildings constructed in the past 10 years are highly insulated, air conditioned and airtight. The older buildings dating from the 1940s to 1980s are not well insulated and have suffered from rainwater ingress in extreme weather (c. 1 event per 3 years). A master plan has been developed for the site to upgrade and replace these buildings by 2025.

Nature recovery and biodiversity action planning

Our St Pancras building has some designed-in climate change adaptations. Our Boston Spa site has biodiversity and natural environment features. Landscaping and tree planting will be enhanced as part of the site master plan.

Reducing environmental impacts from ICT and digital

Our long term goal is to continue to reduce the size of our device fleet so as to reduce the overall device footprint. As well as giving financial benefits this will also help reduce the environmental impacts from a reduced device estate consuming less electricity. By purchasing less equipment less needs to be manufactured and shipped and in time this reduces the amount of equipment we need to dispose of.

We will be looking to further implement our single device policy for all staff over the next 2 years with an aim of reducing the total device fleet by 20%. Other initiatives we have introduced in recent times are around power saving such as ensuring printers and monitors move into sleep mode/standby after a period of inactivity to reduce power consumption.

Sustainable construction

We seek to achieve appropriate BREEAM ratings for new buildings e.g. the Newspaper Storage Building at Boston Spa has a 'Very Good' rating. We intend to improve this for future construction.

All three of our Change Portfolios intend to use the United Nations Sustainable Development Goals as a framework to identify the areas where they could contribute towards sustainable outcomes. Those goals were adopted by 193 nations in 2015, and challenge stakeholders to contribute to achieving them by 2030. The use of these goals by the Library is most developed for St Pancras Transformed and Boston Spa Renewed, with St Pancras Transformed clustering goals together and Boston Spa Renewed looking at individual ones.

Boston Spa Renewed will include a new storage archive, built to the highest levels of air tightness and thus energy use/carbon emissions possible. The largest existing building on site will be fully refurbished, incorporating an upgraded façade and much improved working conditions. The campus landscaping will be developed for staff to enjoy as much as possible, including extensive tree planting.

REMUNERATION REPORT

Service contracts

Although members of Library staff are not civil servants, appointments are made in accordance with the Civil Service principle that requires appointments to be on merit and on the basis of fair and open competition.

The Library's senior managers covered by this report hold appointments which are open-ended until they choose to retire. However, those in post prior to 1 October 2006 have a contractual right to retire at age 60, should they so choose. The Chief Executive has a six-month notice period; other senior managers have a three-month notice period. All are members of the Principal Civil Service Pension Scheme and, as such, early termination of

their contract would result in the individual receiving compensation as set out in the Civil Service Compensation Scheme.

Remuneration policy

The remuneration policy for the British Library's senior managers is set by the Remuneration Committee, a standing committee of the British Library Board which fulfils the following responsibilities:

- to keep under regular review the terms and conditions of the Chief Executive
- to undertake an annual review of the Chief Executive's salary and to determine their performance bonus and inform the Board
- to consider the recommendations of the Chief Executive in relation to the annual review of the salary

and performance bonuses of the Executive Team and similarly for any other equivalent paid senior staff

- to represent the Board in considerations relating to the terms and conditions of all other Library employees and in approving the annual pay remit
- to carry out any other review and make any other recommendations which, in its opinion or at the request of the Chief Executive, it believes to be relevant to the Board's statutory responsibilities in relation to the terms and conditions of the Library's employees.

The Remuneration Committee is informed in its decisions by external benchmarking and through the Library's performance management process.

Remuneration and pension entitlements (audited)

The following sections provide details of the remuneration and pension interests of the Board Members and most senior management, Chief officers, of the Library.

Remuneration for non-pensionable Board and Committee members (audited):

	2021/22			2020/21 Restated			Term Started	Term Ends
	Fees £000	Taxable benefits £000	Total £000	Fees £000	Taxable benefits £000	Total £000		
Dame Carol Black	35.2	–	35.2	35.2	–	35.2	01.09.18	31.08.22
Ms Jana Bennett OBE	7.1	–	7.1	9.1	–	9.1	13.05.19	11.01.22
Mr Delroy Beverley	9.1	1.3	10.4	9.1	–	9.1	13.05.19	12.05.23
Dr Robert Black CBE	3.1	–	3.1	9.1	0.1	9.2	20.06.12	31.07.21
Ms Tracy Chevalier	9.1	0.1	9.2	9.1	0.1	9.2	01.04.15	31.03.23
Lord Janvrin GCB GCVO PC	9.1	0.1	9.2	9.1	0.1	9.2	01.01.17	31.12.24
Ms Laela Pakpour Tabrizi	9.1	–	9.1	9.1	–	9.1	13.05.19	12.05.23
Mr Patrick Plant	1.1	–	1.1	9.1	0.1	9.2	15.05.12	14.05.21
Dr Venki Ramakrishnan	9.1	0.7	9.8	7.3	–	7.3	15.06.20	14.06.24
Mr Jeremy Silver	9.1	–	9.1	9.1	–	9.1	13.05.19	12.05.23
Dr Simon Thurley CBE	9.1	0.1	9.2	9.1	0.1	9.2	01.04.15	31.03.23
Dr Wei Yang	9.1	–	9.1	9.1	–	9.1	13.05.19	12.05.23
Total Board Members remuneration	119.3	2.3	121.6	133.5	0.5	134.0		
Ms Lynn Brown	0.3	–	0.3	3.0	–	3.0	01.04.18	04.05.21
Mr Nicholas Deyes	3.0	–	3.0	3.1	–	3.1	01.04.18	30.09.22
Mr Patrick Plant	–	–	–	–	–	–	14.05.21	13.05.24
Total Committee Members' Remuneration	3.3	–	3.3	6.1	–	6.1		
Total Board and Committee Members Remuneration	122.6	2.3	124.9	139.6	0.5	140.1		

The 2020/21 figures have been restated to include benefits in kind.

The Board Members' remuneration is in accordance with the British Library Act 1972.

No pension contributions were made on behalf of the above Board Members in the year.

During 2021/22 £312 travel expenses were reimbursed to two Board Members via payroll (2020/21: Nil). This is not included in the remuneration figures above.

Taxable benefits includes health cash plans and travel reimbursement. During 2021/22 three Board Members had a health cash plan paid for by the Library (2020/21: six) and two Board members had travel expenses reimbursed (2020/21: none).

Remuneration and pension details for the Executive Team (audited):

	Salary £000		Bonus payments £000		Benefits in kind (to nearest £100)		Pension benefits £000		Total £000	
	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21
Roly Keating, Chief Executive	160–165	155–160	–	15–20	100	100	62	60	220–225	235–240
Liz Jolly, Chief Librarian	125–130	125–130	–	–	100	100	50	50	175–180	175–180
Philip Spence, Chief Operating Officer	145–150	140–145	–	10–15	100	100	44	62	185–190	215–220

¹ The value of pension benefits accrued during the year is calculated as (the real increase in pension multiplied by 20) plus (the real increase in any lump sum) less (the contributions made by the individual). The real increase excludes increases due to inflation or any increase or decrease due to a transfer of pension rights.

Salary

Salary includes: gross salary; overtime; reserved rights to London weighting or London allowances; recruitment and retention allowances; private office allowances and any other allowance to the extent that it is subject to UK taxation. This report is based on accrued payments made by the Library and thus recorded in these accounts.

The Chief Executive took a temporary, voluntary pay reduction to below the £150k threshold from November 2020 until the end of March 2021.

Bonuses

The Chief Executive and members of the Executive Team are eligible for contractual non-consolidated annual bonus payments of up to 10% of basic salary.

Bonuses are based on performance levels attained and are made as part of the appraisal process. The bonuses paid in 2021/22 relate to performance in 2020/21 and the comparative bonuses reported for 2020/21 relate to the performance in 2019/20.

Three members of the Executive Team waived their bonus in 2021/22 (2020/21: one).

Benefits in Kind

The monetary value of benefits in kind covers any benefits provided by the Library and treated by HM Revenue and Customs as a taxable emolument.

The Executives each had a health cash plan provided by the Library.

Fair pay disclosures (audited)

Pay multiples show the relationship

between the remuneration of the highest-paid executive in their organisation and the remuneration of the organisation's workforce.

The ratio is calculated by taking the remuneration of the highest-paid executive divided by the remuneration of the employees on the midpoint (median), 25th percentile and 75th percentile of the remuneration of the Library's workforce. This is based on the remuneration of the highest-paid executive and the full-time equivalent salaries of other staff at the reporting period end.

Total remuneration includes salary, non-consolidated performance-related pay and benefits in kind. It does not include employer pension contributions or the cash equivalent transfer value of pensions.

Remuneration of employees

	Salary £		Bonus payments £		Benefits in kind £		Total £	
	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21
25th percentile	24,210	23,960	–	–	81	81	24,291	24,041
50th percentile (median)	28,760	28,760	–	–	81	81	28,841	28,841
75th percentile	35,535	35,453	–	–	81	81	35,616	35,533

Pay ratios

	2021/22	2020/21 restated
25th percentile	6.63	7.16
50th percentile (median)	5.58	5.97
75th percentile	4.52	4.85

2020/21 figures have been restated to include benefits in kind.

Percentage change in pay

	Salary	Bonus payments	Benefits in kind	Total
	2021/22	2021/22	2021/22	2021/22
Highest paid executive	3.07%	(100%)	(2.9%)	(6.7%)
Average for employees as a whole	(0.2%)	(0.0%)	(5.3%)	(0.2%)

In 2021/22, no-one received remuneration in excess of the highest-paid executive.

Remuneration for the workforce at the reporting date, excluding the highest paid executive, ranged from £19k to £145k (2020/21: £18k to £158k).

Pension benefits for the Executive Team (audited):

	Accrued pension at pension age as at 31/3/22 £000	Real increase in pension and related lump sum at pension age £000	CETV at 31/3/22 £000	CETV at 31/3/21 £000	Real increase in CETV £000
Roly Keating, Chief Executive	35–40	2.5–5	555	486	43
Liz Jolly, Chief Librarian	10–15	2.5–5	144	101	31
Philip Spence, Chief Operating Officer	40–45	2.5–5	756	689	23

Pension arrangements

Library staff are eligible to become a member of one of the Principal Civil Service Pension Schemes (PCSPS) that provide retirement-related benefits to all eligible employees. Pension benefits are provided through the Civil Service pension arrangements. From 1 April 2015, a new pension scheme for civil servants was introduced – the Civil Servants and Others Pension Scheme or alpha, which provides benefits on a career average basis with a normal pension age equal to the member's State Pension Age (or 65 if higher). From that date, all newly appointed Library staff and the majority of those already in service joined alpha. Prior to that date, staff participated in the Principal Civil Service Pension Scheme (PCSPS). The PCSPS has four sections: three providing benefits on a final salary basis (classic, premium or classic plus) with a normal pension age of 60; and one providing benefits on a whole career basis (nuvos) with a normal pension age of 65.

These statutory arrangements are unfunded with the cost of benefits met by monies voted by Parliament each year. Pensions payable under classic, premium, classic plus, nuvos and alpha are increased annually in line with Pensions Increase legislation. Existing members of the PCSPS who were within 10 years of their normal pension age on 1 April 2012 remained in the PCSPS after 1 April 2015. Those who were between 10 years and 13 years and 5 months from their normal pension age on 1 April 2012 will switch into alpha sometime between 1 June 2015 and 1 February 2022. Because the Government plans to remove discrimination identified by the courts in the way that the 2015 pension reforms were introduced for some members, it is expected that, in due course, eligible members with relevant service between 1 April 2015 and

31 March 2022 may be entitled to different pension benefits in relation to that period (and this may affect the Cash Equivalent Transfer Values shown in this report – see below). All members who switch to alpha have their PCSPS benefits 'banked', with those with earlier benefits in one of the final salary sections of the PCSPS having those benefits based on their final salary when they leave alpha. (The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of their benefits in the two schemes). Members joining from October 2002 may opt for either the appropriate defined benefit arrangement or a defined contribution (money purchase) pension with an employer contribution (partnership pension account).

Employee contributions are salary-related and range between 4.6% and 8.05% of pensionable earnings for members of classic, premium, classic plus, nuvos and alpha.

Benefits in classic accrue at the rate of 1/80th of final pensionable earnings for each year of service. In addition, a lump sum equivalent to three years initial pension is payable on retirement. For premium, benefits accrue at the rate of 1/60th of final pensionable earnings for each year of service. Unlike classic, there is no automatic lump sum. Classic plus is essentially a hybrid with benefits for service before 1 October 2002 calculated broadly as per classic and benefits for service from October 2002 worked out as in premium. In nuvos a member builds up a pension based on their pensionable earnings during their period of scheme membership. At the end of the scheme year (31 March) the member's earned pension account is credited with 2.3%

of their pensionable earnings in that scheme year and the accrued pension is updated in line with Pensions Increase legislation. Benefits in alpha build up in a similar way to nuvos, except that the accrual rate is 2.32%. In all cases, members may opt to give up (commute) pension for a lump sum up to the limits set by the Finance Act 2004.

The partnership pension account is an occupational defined contribution pension arrangement which is part of Legal and General Mastertrust. The employer makes a basic contribution of between 8% and 14.75% (depending on the age of the member). The employee does not have to contribute, but where they do make contributions, the employer will match these up to a limit of 3% of pensionable salary (in addition to the employer's basic contribution). Employers also contribute a further 0.5% of pensionable salary to cover the cost of centrally-provided risk benefit cover (death in service and ill health retirement).

The accrued pension quoted is the pension the member is entitled to receive when they reach pension age, or immediately on ceasing to be an active member of the scheme if they are already at or over pension age. Pension age is 60 for members of classic, premium and classic plus, 65 for members of nuvos, and the higher of 65 or State Pension Age for members of alpha. (The pension figures quoted for officials show pension earned in PCSPS or alpha – as appropriate. Where the official has benefits in both the PCSPS and alpha the figure quoted is the combined value of their benefits in the two schemes, but note that part of that pension may be payable from different ages).

Further details about the Civil Service pension arrangements

can be found at the website:
civilservicepensionscheme.org.uk

Cash equivalent transfer values

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a particular point in time. The benefits valued are the member's accrued benefits and any contingent spouse's pension payable from the scheme. A CETV is a payment made by a pension scheme or arrangement to secure pension benefits in another pension scheme or arrangement when the member leaves a scheme and chooses to transfer the benefits accrued in

their former scheme. The pension figures shown relate to the benefits that the individual has accrued as a consequence of their total membership of the pension scheme, not just their service in a senior capacity to which disclosure applies.

The figures include the value of any pension benefit in another scheme or arrangement which the member has transferred to the Civil Service pension arrangements. They also include any additional pension benefit accrued to the member as a result of their buying additional pension benefits at their own cost. CETVs are worked out in accordance with The Occupational

Pension Schemes (Transfer Values) (Amendment) Regulations 2008 and do not take account of any actual or potential reduction to benefits resulting from Lifetime Allowance Tax which may be due when pension benefits are taken.

Real increase in CETV

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Civil Service compensation scheme exit packages (audited)

The numbers of exit packages agreed during the year are shown by cost band in the table below:

Exit package cost band	Number of non-compulsory departures agreed		Number of compulsory redundancies agreed		Total number of exit packages by cost band	
	2021/22	2020/21	2021/22	2020/21	2021/22	2020/21
£0-£10,000	2	-	5	6	7	6
£10,001-£25,000	-	-	-	1	-	1
£25,001-£50,000	-	-	-	-	-	-
£50,001-£100,000	1	-	-	-	1	-
Total number of exit packages	3	-	5	7	8	7
Total cost £000	77	-	30	41	107	41

Redundancy and other departure costs are payable in accordance with the provisions of the Civil Service Compensation Scheme, a statutory scheme made under the Superannuation Act 1972, for individuals employed by the Library. Where the Library has agreed early retirements, the additional costs are met by the Library and not the Civil Service pension scheme



Dame Carol Black
Chair

8 July 2022



Roly Keating
Chief Executive
and Accounting Officer

8 July 2022

GOVERNANCE STATEMENT

Governance framework

The British Library

The British Library is the national library of the United Kingdom, formed in 1973 under Section 1(1) of the British Library Act 1972 ('the Act'). It is an arm's-length, non-departmental public body funded by a combination of Grant in Aid allocated by the Department for Digital, Culture, Media and Sport (DCMS) and income secured through commercial, fundraising, sponsored and charging activities. A management agreement letter from the Secretary of State sets out the Library's Grant in Aid allocation and conditions.

The British Library is an exempt charity under the Charities Act 2011 and complies with the duty under section 17 to have due regard to public benefit guidance published by the Charities Commission.

Objectives and activities

Section 1(2) of the Act placed the Library under the control and management of the British Library Board ('the Board'), the duty of which is to manage the Library as a national centre for reference, study and bibliographical and other information services in relation both to scientific and technological matters and to the humanities.

The objectives of the Library are set out under Sections 1(3) and 1(4) of the Act. The Library is required to make its services available to the public and, in particular, to institutions of education and learning, other libraries and industry. It may carry out and sponsor research, contribute to the expenses of library authorities or other persons providing library

facilities, and make any part of its collections, or of its premises, available in connection with events of an educational, literary or cultural nature. Under Section 2, the Schedule to the Act empowers the Board to impose charges for any services provided, or for the loan or use of any item from its collections, subject to the approval of the Secretary of State.

Living Knowledge sets out the Library's vision for its future development as it looks ahead to 2023, the year of its 50th anniversary as the national library of the UK.

Living Knowledge sets out six core statements of purpose covering custodianship, research, business, culture, learning and international activities, and explains how the Library contributes to research, culture, education and economic prosperity, for the benefit not just of the UK but of users and partners around the world. The Library's mission is to 'make our intellectual heritage accessible to everyone, for research, inspiration and enjoyment'.

Living Knowledge for everyone published in October 2020, overlaid *Living Knowledge* with the task of ensuring that even as the Library rebuilds its own spaces and services in the face of the pandemic, it plays the fullest possible role, alongside our many partners, in the urgent and vital responses that are needed. We have committed further effort and resource over the next two years to economic growth and innovation and social and cultural renewal.

The Board

The constitution and further provisions of the Board are set out in the Act. The Chair and members of the Board are all appointed by the Secretary of State, with the exception of one member who is appointed by HM The Queen. One member of the Board is appointed after consultation with Scottish Ministers. Members are normally appointed for four-year terms, with consecutive appointments restricted to two terms. The Chief Executive is the only full-time, executive member of the Board. The Chair and Board select one of their members to be Deputy Chairman.

Members of the Board have corporate responsibility for ensuring that the Library complies with all statutory or administrative requirements for the use of public funds and for ensuring that high standards of corporate governance are observed at all times. The Board establishes the overall strategic direction of the organisation. It approves the Library's annual corporate business plan and annual budget and oversees the delivery of planned results by monitoring performance against agreed strategic objectives and targets.

The responsibilities of the Chair and the Chief Executive are set out in the Statement of the British Library Board's and Accounting Officer's Responsibilities on page 46.

The Board usually meets five times a year, with one of those meetings substantially devoted to the review and development of strategy. The Chief Operating Officer, Chief Librarian, Head of Finance and Head of People are also present during Board meetings.

Board Committees

The Board has delegated certain responsibilities to committees of the Board, as follows.

Committee	Key responsibilities
Audit Committee	A standing committee which supports the Board and the Accounting Officer in their responsibilities for issues of finance, risk, control and governance by reviewing the comprehensiveness, reliability and integrity of assurances provided to them.
Remuneration Committee	A standing committee which makes determinations on behalf of the Board with regard to the performance, pay and employment terms and conditions of the Chief Executive, and which considers the recommendations of the Chief Executive in relation to the Chief Librarian, the Chief Operating Officer and other staff.
Capital Projects Committee	A limited-life committee whose primary responsibility is to assist the Board in overseeing achievement of the objectives of the St Pancras Transformed, Boston Spa Renewed and British Library North (Leeds) programmes.

Board and Committee membership and attendance 2021/22

	Current term	Expires	Board	Audit	Remun.	Cap Pr.
Scheduled meetings			5	4	2	1
Chair						
Dame Carol Black	1st	31.08.2022	Chair 5/5	–	Member 2/2	–
Deputy Chairman						
Lord Janvrin GCB GCVO PC	2nd	31.12.2024	Member 5/5	–	Chair 2/2	–
Chief Executive						
Mr Roly Keating	2nd	11.09.2026	Member 5/5	Member 4/4	–	Member 1/1
Non-Executive Board Members						
Ms Jana Bennett ¹	1st	11.01.2022	Member 0/4	–	–	Member 0/1
Mr Delroy Beverley	1st	12.05.2023	Member 5/5	Chair 4/4	–	–
Dr Robert Black CBE ²	2nd	30.07.2021	Member 1/2	Member 2/2	–	–
Ms Tracy Chevalier	2nd	31.03.2023	Member 5/5	Member 4/4	–	–
Ms Laela Pakpour Tabrizi	1st	12.05.2023	Member 4/5	Member 4/4	Member 1/2	–
Mr Patrick Plant ³	3rd	14.05.2021	Member 2/2	–	–	–
Dr Venki Ramakrishnan	1st	14.06.2024	Member 5/5	–	–	–
Dr Jeremy Silver	1st	12.05.2023	Member 5/5	–	–	–
Dr Simon Thurley CBE	2nd	31.03.2023	Member 5/5	–	Member 2/2	Member 1/1
Dr Wei Yang	1st	12.05.2023	Member 5/5	–	–	Chair 1/1
Committee Members with relevant professional experience:						
Ms Lynn Brown ⁴	1st	30.09.2022	–	–	–	–
Mr Nicholas Deyes	1st	30.09.2022	–	Member 4/4	–	–
Mr Patrick Plant ³	1st	13.05.2024	–	–	–	Member 1/1

¹ Ms Jana Bennett passed away on 11 January 2022.

² Dr Robert Black's term was extended by the Secretary of State from 19 June to 31 July 2021.

³ Mr Patrick Plant's term expired on 14 May 2021. Mr Plant was appointed on 14 May 2021 as independent member of the Capital Projects Committee.

⁴ Ms Lynn Brown resigned from position on 4 May 2021 due to her permanent appointment as CEO of the Scottish Police Authority.

The meetings of the British Library Board and its sub-committees took place via video conference at the start of the year, and have now returned to face-to-face, with the option of hybrid. Current Board members' biographies are available under: bl.uk/about-us/governance/british-library-board/

A register of Board Members' interests is maintained by the Head of Governance and is available at: bl.uk/british-library/~media/bl/global/about%20us/board/register%20of%20interests.pdf. Details of related party transactions are disclosed in note 23 to the accounts.

Board performance

Board and Committee Business

The Board received annual reports from the Chairs of the Audit Committee and Remuneration Committee, plus minutes of each meeting of the Audit Committee and Capital Projects Committee. The Board received quarterly reports on financial and business performance, fundraising and the delivery of strategic change initiatives. The Board also approved financial and business plans for the next year and members participated in a thorough review of strategic risks.

In addition to regular business, significant issues that were considered by the Board during 2021/22 included:

- Continued and ongoing oversight of the pandemic on the Library and its staff, and the impact of the pandemic on the Library's performance
- The Board and the British Library Advisory Council met to discuss the early thinking on the BL 2030 strategy, which is due to be published in 2022/23
- The Board noted the roll-out of the People Strategy which was the start of an exciting journey for the Library. Extensive consultations had taken place, and the Library's values and behaviours were being included as part of the framework
- The Board reviewed and supported the proposal for another extension to the Qatar project. They also discussed the relationship between FindMyPast and the British Library which had resulted in over 42million pages digitised and one million free to view pages available on the British Newspaper Archive. The Board also considered the News Content Strategy and how newspapers were integrated with other news collection types

- The Board approved the donation of £1.2m to the Friends of National Libraries on behalf of a consortium of interested parties for the purchase of the Honresfield Library Collection, including manuscripts by the Brontës, Jane Austen and Walter Scott
- The Board approved a set of clear high level race equality action recommendations for the Library to implement
- In November, the Board visited Leeds to see the Temple Works site. The Library co-hosted a "BL in the North – Transforming our impact" reception in Leeds, in partnership with Leeds City Council, West Yorkshire Combined Authority and CEG. Opening speeches were given by Cllr James Lewis, Leader of Leeds City Council; Dame Carol Black, Chair of British Library Board; and Mayor Tracy Brabin. The Board then held its Board meeting in Boston Spa and had an opportunity to tour the site prior to the development works.

The Audit Committee kept the management of risk, and the Library's top strategic risks, under review throughout the year. The Committee reviewed reports from KPMG, the Library's internal auditors, including progress reports on the implementation of recommendations and agreed a suitable programme of work for 2021/22. Members of internal and external audit attended each meeting of the Audit Committee and their work was considered by the committee. See further details on page 63.

The Remuneration Committee met twice and approved, on behalf of the Board, annual bonus recommendations for the Chief Executive, Chief Librarian and Chief Operating Officer in relation to their performance in 2020/21,

and the annual pay remit for staff in 2021/22.

The Capital Projects Committee met once to receive updates on the progress being made on the three capital programmes: St Pancras Transformed, Boston Spa Renewed and the proposed British Library North.

Board effectiveness

New board appointees' induction includes interviews with key staff about strategic issues and the services of the Library, briefing material on the Library's risk and governance frameworks, background legislation and conventions, plus the offer of training on board members' responsibilities and requirements or expectations relevant to the Library as a public body.

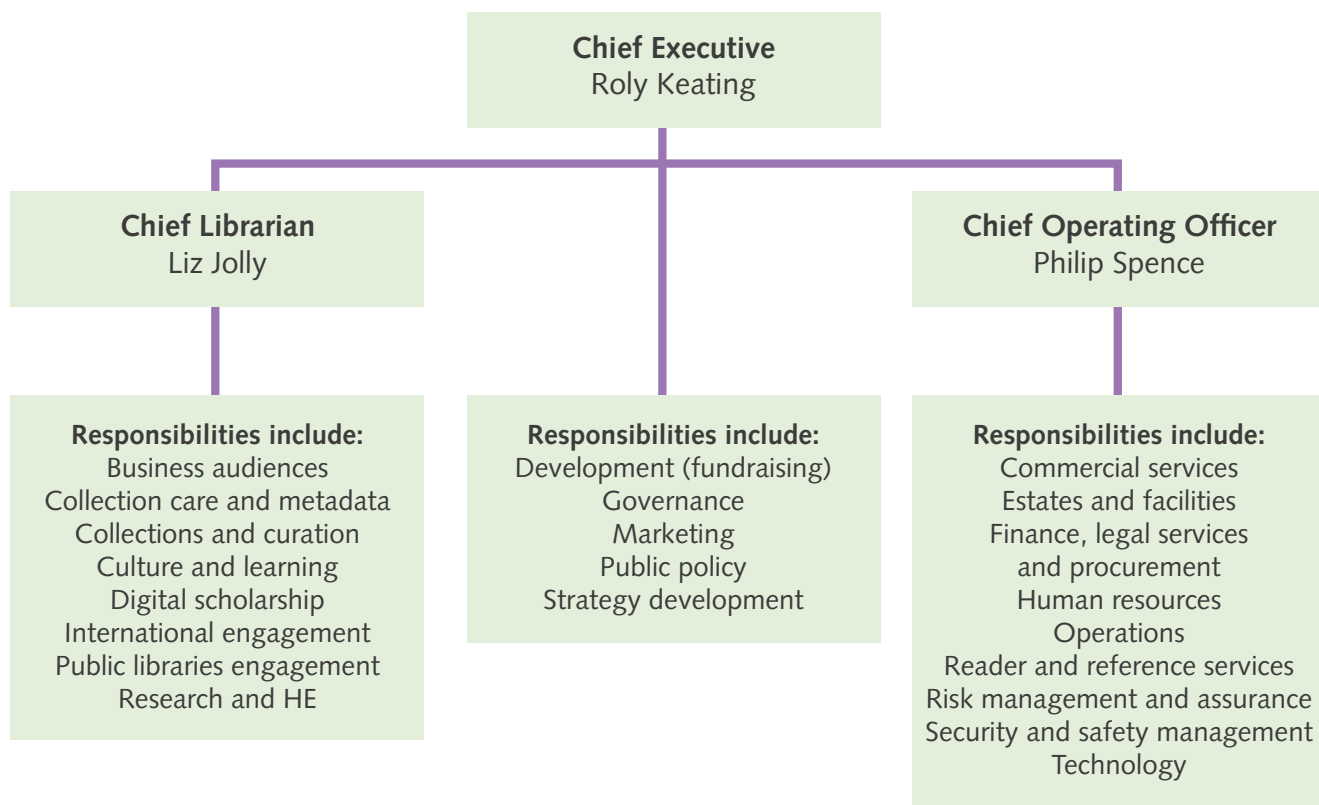
Board members have annual appraisals with the Chair and the Board undertakes an annual assessment of its own effectiveness on the basis of a self-evaluation questionnaire.

The Library complies with the requirements of *Corporate governance in central government departments: code of good practice, 2017* as adapted to the circumstances of the Library as an arm's-length body.

Management

Responsibility for managing the Library is delegated to the Chief Executive who, as Accounting Officer, is personally responsible to Parliament for the stewardship of public money and the Library's assets, and for ensuring that the resources allocated to the Library under the authority of Parliament are used for the purposes intended by Parliament.

Management of the Library is led by the Chief Executive, Chief Operating Officer and Chief



Librarian and includes the areas of responsibility indicated in the diagram above.

Risk management and controls

Risk is a key component in Board and Executive decision making and, during the year, we continued to develop our risk management systems. Risk management is increasingly integrated in business planning decisions, whether big or small, rather than being a separate management activity. We seek to mitigate risks where it is reasonably practical and cost effective to do so. However, as resources are finite, we recognise that some risk taking will always be necessary and sometimes healthy, especially if we are to exploit opportunities as they present themselves. The Board has established a framework in which, for different categories such as compliance, reputation, stakeholders or infrastructure, the Board is prepared to accept risk at one of the following levels:

Averse, Minimal, Cautious, Open or Hungry.

The Library draws a clear distinction between the Library's principal, strategic risks, operational risks and program/ project risks. Each risk has a named owner who is responsible for reviewing the risk on a regular basis and for identifying and ensuring the implementation of actions to manage it. Strategic risks are defined as 'those business risks that, if realised, could fundamentally affect the way in which the organisation exists or provides services in the next one to five years. These risks will have a detrimental effect on the organisation's achievement of its key business objectives. The risk realisation will lead to failure, loss or lost opportunity'.

In addition to management reviews, the Board and the Board's Audit Committee both

routinely review the strategic risks register. As part of an annual cycle, the Audit Committee receives an in-depth review of the controls and assurances for each strategic risk, including a personal commentary from the specific risk owner. Operational risks are managed and reviewed regularly by the management teams and whenever they score outside the level of tolerance or appetite set by the Board they are escalated to the Audit & Risk Group for more in depth scrutiny, as part of the Senior Leadership Team risk register.

Our internal control activities include the need for policies and procedures across the organisation and our governance arrangements to remain efficient and effective. Overall assurance in the effectiveness of our internal controls is achieved through a combination of: process controls within workflows; clear roles and

responsibilities; management level monitoring; active risk management; use of management information and exception reporting; and accountability for decision-making.

Day-to-day activities and controls are managed at a local level (sometimes referred to as the 'first line of defence'). Senior leaders and internal management groups provide oversight, using management information and key performance indicators to monitor their effectiveness (second line of defence). Our outsourced Internal Audit service and other external experts or specialists provide an independent assessment of the effectiveness of our controls at all levels (third line of defence).

In line with Public Sector Internal Audit Standards, and GovS Functional Standard 09 the Head of Internal Audit provides an annual opinion on the overall adequacy and effectiveness of the Library's risk management, control and governance processes. For 2021/22, eleven internal audit reviews were carried out. Based on the areas considered within their scope of work for the year, and management's implementation of their recommendations, the Head of Internal Audit's opinion was that 'significant assurance with minor improvements required'. This confirms that there is generally a sound system of internal control which is designed to meet the British Library's objectives and that controls in place are being consistently applied in all key areas reviewed.

Principal risks

During the year, the Board and Audit Committee approved several revisions to the Library's register of strategic risks. In quarter four

a risk workshop was undertaken with Board members and key executives which will inform the strategic risks for 2022/23. Each year's internal audit plan is also developed by reference to the risks and their assessment as part of an open process of full engagement with the Strategic Leadership Team.

The register of strategic risks at the end of 2021/22 contains the following eight overarching themes.

- Institutional relevance: the risk that the Library fails to maintain its relevance and support as a national institution (Appetite: Minimal)
- Organisational overstretch: the risk that the Library does not 'right size' its ambitions and does not appropriately align and manage its resources and capacity to deliver its services and transformational change programmes (Appetite: Minimal)
- Staff capability and diversity: the risk that the Library cannot attract, recruit, retain and develop a diverse workforce with the capabilities required to deliver the Library's purposes and future strategy (Appetite: Cautious)
- Third party reliance: the risk that the Library is adversely affected by its partner and supplier relationships (Appetite: Minimal)
- Digital security: the risk that the Library's online and digital data and information are not kept secure and safe (Appetite: Minimal)
- Physical security and safety: the risk that the Library's physical collection, physical infrastructure and people are not kept secure and safe (Appetite: Minimal)
- Technology capability: the risk that the Library's current

technology platforms and future strategy are not effective (Appetite: Minimal)

- Financial sustainability: the risk that the Library cannot balance its budget and achieve financial sustainability in pursuit of delivering its strategic priorities (Appetite: Cautious).

Each of these strategic risks is owned by one of the Chief Executive, Chief Operating Office and Chief Librarian and managed under their oversight by a member of the Strategic Leadership Team. The causes and effects of each risk are analysed and each risk is managed through a set of risk controls which typically include: internal and external monitoring; management policies, processes, systems and controls; and the development of relevant strategies and plans which will focus on affecting the likelihood or impact of the risk occurring. The delivery of the agreed actions is reviewed corporately with assurance on the effectiveness of the controls across the three lines of defence being discussed routinely. Our risks are scored to reflect the potential likelihood and impact of the risk occurring, after controls (residual score) but also the forecast score after the risk actions have been implemented (forecast residual score).

The Library continues to manage its risk environment and the impacts on our operations, services users and staff in light of the recovery from Covid and wider economic uncertainty.

OTHER DISCLOSURES

Public benefit

The British Library Board believes that the British Library meets the public benefit requirements, and they confirm that they have taken into account the guidance contained in the Charity Commission's general guidance on public benefit where applicable.

Fundraising and development

Development activity within the Library is directed by the Library's Head of Development, who manages a team directly employed by the Library, assisted by consultant advisors working for the Library on short term contracts to deliver strategic support.

Fundraising by the Library's Development team is undertaken in line with the Code of Fundraising Practice, the General Data Protection Regulation, and the Fundraising Ethics policy approved by the British Library Board. The Library's fundraising activity is also governed by the Library's Code of Conduct and other policies including those for Complaints, Anti-Fraud and Anti-Bribery, and the Library's Finance Code. All fundraising staff have periodic one to one meetings with their line managers and their approaches are monitored regularly to ensure their activity is professional and appropriate at all times. These measures ensure that donors' rights are protected; no complaints were received in the last financial year concerning the Library's fundraising activities.

Managing information

The Senior Information Risk Owner (SIRO) of the Library is supported by the statutory Data Protection Officer (DPO) and a Corporate Information Governance Group covering information compliance,

information management and information security. During 2021/22 the main activities of this group were:

- Further developing our data protection compliance, including review of all high risk personal data processes and bespoke training for all staff involved with them
- Designing security and compliance for our systems including our new MS Teams environment (launched), Box Office replacement (ongoing), PLR system (launched) and HR and payroll system (in development)
- Work has begun on refreshing the Knowledge Information Management Strategy
- Beginning a project to address record appraisal backlogs in order to bring the Library back into compliance with the Public Records Act.

During 2021/22, the Library processed 132 statutory data subject rights requests (113 in 2020/21). No complaints were made to the external regulator (two in 2020/21).

The Library has suffered no significant losses or thefts of personal or other protected data during 2021/22 (none in 2020/21).

Modern Slavery Act

Respecting the rights of the people that we interact with has always been integral to the British Library, and addressing modern slavery is a core part of our human rights and responsible sourcing strategy. The Library's trading turnover is not sufficient for the provisions of the Modern Slavery Act to apply. Nevertheless, in line with our corporate social

responsibilities, we have taken steps within HR and Procurement to update policies, standards and procedures, including contract management training and have implemented Social Value as part of our procurement processes.

Business Continuity Management

Business Continuity Management is an established part of the Library's preparations for managing risk, whether from internal system failures or from external emergencies. The British Library bases its business continuity management on the framework guidance laid out in ISO 22301 Societal Security – Business Continuity Management systems. Effectiveness is confirmed by completion of crisis management exercises which test our business continuity arrangements at both tactical and strategic levels.

The Covid-19 outbreak was monitored by the Library's Business Continuity Management team from 23 January 2020, when it first appeared as a potential international concern. On 28 February 2020, when it became clear that the Coronavirus outbreak and Covid-19 disease was emerging as a major pandemic, the Library brought its Gold and Silver crisis management teams into action to implement Government advice. During 2021/22 the Library has consistently applied and implemented this advice using its crisis management structure. This has resulted in the reopening of our onsite services to the public and the continued provision of online services and content for our users. We have also overseen the gradual transition of over 800 staff working from home to post pandemic working arrangements.

Health and safety

The British Library Board has ultimate responsibility for the health and safety of all people on site at the British Library or while undertaking business on behalf of the Library. The Board has approved policies for health & safety management and safeguarding, both of which are available on the Library's website from bl.uk/about-us/governance/policies.

The Board delegates management of health and safety to the Executive. The Chief Operating Officer chairs a Health and Safety board, comprising senior managers and trade union representatives, which meets quarterly to review activities and potential issues, helping ensure that the Library's legal and moral obligations to safeguard the health, safety and mental welfare of staff and visitors are met in full. Regular training is provided on different aspects of health and safety and safeguarding, including policies, manual handling, working at height, first aid, fire suppression and evacuation and refuge systems. Overall, in 2021/22 there were 78 staff attendances at training in six relevant topics. The Library adheres to all salient points within the British Standards Institute's BS OHSAS 18001 guidance.

Regular health and safety inspections of areas or functions in the Library are undertaken in the company of a trade union representative and an independent member of the Library's senior management. The Board's Audit Committee receives annual assurance of the Library's management of physical security and safety risks.

The steps on the piazza outside the front entrance to our building in St Pancras have been the site

of several slips, trips and falls over the years, and works to remodel them in mitigation of this risk were completed in September 2021. The completed works have already seen a reduction in incidents in this area.

Covid-19 has also seen significant Health and Safety resources devoted to the continued support of our re-opening strategies and the safe re-occupation of our premises as well as providing support to ensure that colleagues working from home were able to do this safely. Informed by evolving Government guidance, we have adjusted onsite working processes and provided appropriate physical interventions in our public areas. This work was underpinned by a comprehensive risk assessment review, taking into account and mitigating the unique risks that the pandemic presented. As restrictions have relaxed we have managed a careful return to business as usual operations. The average sickness absence for staff during the year, excluding unpaid absence and maternity leave, was 7.59 days per employee (3.18 days in 2020/21).

Whistleblowing

The library has received no whistleblowing reports during the period (2020/21 none).

Functional Standards

The Government has issued a number of updated Functional Standards. The Library has undertaken an initial assessment of compliance in line with recommendations and where some standards are not yet fully compliant, the Library is working towards improved compliance, where appropriate.

Trade Union facility time

The following information is published under the Trade Union (Facility Time Publication Requirements) Regulations 2017.

Percentage of time spent on facility time

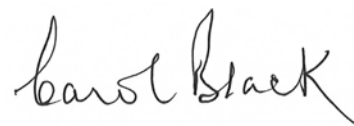
Percentage of time	Number of employees
0%	4
1–50%	34
51–99%	–
100%	–

Percentage of pay bill spent on facility time

Total cost of facility time	£41,271
Total pay bill	£63,303,701
Percentage of the total pay bill spent on facility time	0.07%

Paid trade union activities

Time spent by relevant employees on paid trade union activities as a percentage of total paid facility time 81.6%



Dame Carol Black
Chair
8 July 2022



Roly Keating
Chief Executive
and Accounting Officer
8 July 2022

BRITISH LIBRARY
ANNUAL ACCOUNTS 2021/22

CERTIFICATE AND REPORT OF THE COMPTROLLER AND AUDITOR GENERAL TO THE HOUSES OF PARLIAMENT AND THE SCOTTISH PARLIAMENT

Opinion on financial statements

I certify that I have audited the financial statements of the British Library for the year ended 31 March 2022 under the British Library Act 1972.

The financial statements comprise: the British Library's

- Balance Sheet as at 31 March 2022;
- Statement of Financial Activities and Statement of Cash Flows for the year then ended; and
- the related notes including the significant accounting policies.

The financial reporting framework that has been applied in the preparation of the financial statements is applicable law and United Kingdom accounting standards including Financial Reporting Standards (FRS) 102, the Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In my opinion, the financial statements:

- give a true and fair view of the state of the British Library's affairs as at 31 March 2022 and its net income for the year then ended;
- have been properly prepared in accordance with the British Library Act 1972 and Secretary of State directions issued thereunder.

Opinion on regularity

In my opinion, in all material respects, the income and expenditure recorded in the financial statements have been applied to the purposes intended by Parliament and the financial transactions recorded in the financial statements conform to the authorities which govern them.

Basis for opinions

I conducted my audit in accordance with International Standards on Auditing (UK) (ISAs UK), applicable law and Practice Note 10 *Audit of Financial Statements of Public Sector Entities in the United Kingdom*. My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of my certificate.

Those standards require me and my staff to comply with the Financial Reporting Council's *Revised Ethical Standard 2019*. I have also elected to apply the ethical standards relevant to listed entities. I am independent of the British Library in accordance with the ethical requirements that are relevant to my audit of the financial statements in the UK. My staff and I have

fulfilled our other ethical responsibilities in accordance with these requirements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Conclusions relating to going concern

In auditing the financial statements, I have concluded that the British Library's use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work I have performed, I have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the British Library's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

My responsibilities and the responsibilities of the Board and Accounting Officer with respect to going concern are described in the relevant sections of this certificate.

Other Information

The other information comprises information included in the Annual Report, but does not include the financial statements nor my auditor's certificate and report. The Board and Accounting Officer are responsible for the other information.

My opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in my certificate, I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated. If I identify such material inconsistencies or apparent material misstatements, I am required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work I have performed, I conclude that there is a material misstatement of this other information, I am required to report that fact.

I have nothing to report in this regard.

Opinion on other matters

In my opinion the part of the Remuneration Report to be audited has been properly prepared in accordance with Secretary of State directions issued under the British Library Act 1972.

In my opinion, based on the work undertaken in the course of the audit:

- those parts of the Annual Report subject to audit have been properly prepared in accordance with Secretary of State directions issued under the British Library Act 1972; and
- the information given in the Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements and is in accordance with the applicable legal requirements.

Matters on which I report by exception

In the light of the knowledge and understanding of the British Library and its environment obtained in the course of the audit, I have not identified material misstatements in the Annual Report.

I have nothing to report in respect of the following matters which I report to you if, in my opinion:

- I have not received all of the information and explanations I require for my audit; or
- adequate accounting records have not been kept by the British Library or returns adequate for my audit have not been received from branches not visited by my staff; or
- the financial statements and the parts of the Annual Report, subject to audit are not in agreement with the accounting records and returns; or
- certain disclosures of remuneration specified by the Charities Act 2011 have not been made or parts of the Remuneration Report to be audited is not in agreement with the accounting records and returns; or
- the Governance Statement does not reflect compliance with HM Treasury's guidance.

Responsibilities of the Board and Accounting Officer for the financial statements

As explained more fully in the Statement of the British Library Board's and Accounting Officer's Responsibilities, the Board and the Accounting Officer are responsible for:

- the preparation of the financial statements in accordance with the applicable financial reporting framework and for being satisfied that they give a true and fair view;
- internal controls as the Board and the Accounting Officer determine is necessary to enable the preparation of financial statement to be free from material misstatement, whether due to fraud or error; and

- assessing the British Library's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board and the Accounting Officer either intend to liquidate the entity or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities for the audit of the financial statements

My responsibility is to audit, certify and report on the financial statements in accordance with the British Library Act 1972.

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue a certificate that includes my opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Extent to which the audit was considered capable of detecting non-compliance with laws and regulations including fraud

I design procedures in line with my responsibilities, outlined above, to detect material misstatements in respect of non-compliance with laws and regulations, including fraud. The extent to which my procedures are capable of detecting non-compliance with laws and regulations, including fraud is detailed below.

Identifying and assessing potential risks related to non-compliance with laws and regulations, including fraud

In identifying and assessing risks of material misstatement in respect of non-compliance with laws and regulations, including fraud, we considered the following:

- the nature of the sector, control environment and operational performance including the design of the British Library's accounting policies, key performance indicators and performance incentives.
- inquiring of management and those charged with governance, including obtaining and reviewing supporting documentation relating to the British Library's policies and procedures relating to:
 - identifying, evaluating and complying with laws and regulations and whether they were aware of any instances of non-compliance;
 - detecting and responding to the risks of fraud and whether they have knowledge of any

- actual, suspected or alleged fraud; and
- the internal controls established to mitigate risks related to fraud or non-compliance with laws and regulations including the British Library's controls relating to the British Library's compliance with the British Library Act 1972, Charities Act 2011, Public Lending Right Act 1979 and Managing Public Money.
- discussing among the engagement team regarding how and where fraud might occur in the financial statements and any potential indicators of fraud.

As a result of these procedures, I considered the opportunities and incentives that may exist within the British Library for fraud and identified the greatest potential for fraud in the following areas: revenue recognition, posting of unusual journals, complex transactions, bias in management estimates and the use of restricted funds. In common with all audits under ISAs (UK), I am also required to perform specific procedures to respond to the risk of management override of controls.

I also obtained an understanding of the British Library's framework of authority as well as other legal and regulatory frameworks in which the British Library operates, focusing on those laws and regulations that had a direct effect on material amounts and disclosures in the financial statements or that had a fundamental effect on the operations of the British Library. The key laws and regulations I considered in this context included the British Library Act 1972, the Charities Act 2011, the Public Lending Right Act 1979, Managing Public Money, employment law and pensions legislation, and tax legislation.

In addition, I considered any restrictions on the use of the British Library's funds.

Audit response to identified risk

As a result of performing the above, the procedures I implemented to respond to identified risks included the following:

- reviewing the financial statement disclosures and testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described above as having direct effect on the financial statements;
- enquiring of management and the Audit Committee concerning actual and potential litigation and claims;
- reading and reviewing minutes of meetings of those charged with governance and the Board and internal audit reports;

- in addressing the risk of fraud through management override of controls, testing the appropriateness of journal entries and other adjustments; assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business; and
- testing the appropriateness of transfers between funds and reviewing the allocation of income and expenditure to funds, to ensure that restricted funds are used for the purposes for which they were acquired.

I also communicated relevant identified laws and regulations and potential fraud risks to all engagement team members including internal specialists and remained alert to any indications of fraud or non-compliance with laws and regulations throughout the audit.

A further description of my responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: frc.org.uk/auditorsresponsibilities. This description forms part of my certificate.

Other auditor's responsibilities

I am required to obtain evidence sufficient to give reasonable assurance that the income and expenditure reported in the financial statements have been applied to the purposes intended by Parliament and the financial transactions conform to the authorities which govern them.

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

Report

I have no observations to make on these financial statements.

Gareth Davies

Comptroller and Auditor General

15 July 2022

National Audit Office
157–197 Buckingham Palace Road
Victoria
London
SW1W 9SP

ANNUAL ACCOUNTS

The British Library Board

Statement of Financial Activities for the year ended 31 March 2022

	Notes	Unrestricted Funds			Restricted funds	Endowed Funds		Total 2021/22
		General Funds	Designated Funds	Fixed Asset Funds		Permanent	Expendable	
		£000	£000	£000		£000	£000	
Income and endowments from:								
Grant in Aid	2	110,412	–	–	–	–	–	110,412
Donations and legacies	3	774	51	265	18,979	–	17	20,086
Charitable activities	4	9,549	–	–	204	–	–	9,753
Other trading activities		1,042	–	–	–	–	–	1,042
Investment income	5	80	–	–	–	–	–	80
Total income and endowments		121,857	51	265	19,183	–	17	141,373
Expenditure on:								
Raising funds								
Raising donations and legacies		(1,489)	–	–	–	–	–	(1,489)
Other trading activities		(1,227)	–	–	–	–	–	(1,227)
Investment management costs		–	(29)	–	(5)	(19)	(70)	(123)
Charitable activities		(100,095)	(370)	(14,972)	(8,324)	(153)	(502)	(124,416)
Total expenditure	7	(102,811)	(399)	(14,972)	(8,329)	(172)	(572)	(127,255)
Net gains/(losses) on investments	11	–	40	–	7	27	99	173
Net income/(expenditure)	6	19,046	(308)	(14,707)	10,861	(145)	(456)	14,291
Transfer between funds	20	(8,780)	6	15,562	(6,487)	(200)	(101)	–
Other recognised gains/(losses)								
Gains/(losses) on revaluation of fixed assets	9	–	–	31,410	–	–	–	31,410
Net movement in funds		10,266	(302)	32,265	4,374	(345)	(557)	45,701
Reconciliation of funds:								
Total funds brought forward at 1 April 2021		41,664	6,908	968,052	9,055	4,015	14,361	1,044,055
Total funds carried forward at 31 March 2022		51,930	6,606	1,000,317	13,429	3,670	13,804	1,089,756

The British Library Board
Statement of Financial Activities for the year ended 31 March 2021

	Notes	Unrestricted Funds			Restricted funds	Endowed Funds		Total 2020/21
		General Funds	Designated Funds	Fixed Asset Funds		Permanent	Expendable	
		£000	£000	£000		£000	£000	
Income and endowments from:								
Grant in Aid	2	108,226	–	–	–	–	–	108,226
Donations and legacies	3	665	36	–	8,794	–	29	9,524
Charitable activities	4	6,578	30	–	976	–	–	7,584
Other trading activities		383	–	–	–	–	–	383
Investment income	5	196	–	–	–	–	–	196
Total income and endowments		116,048	66	–	9,770	–	29	125,913
Expenditure on:								
Raising funds								
Raising donations and legacies		(1,595)	–	–	–	–	–	(1,595)
Other trading activities		(953)	–	–	–	–	–	(953)
Investment management costs		–	(28)	–	(5)	(18)	(66)	(117)
Charitable activities		(95,649)	(170)	(21,526)	(8,267)	(39)	(328)	(125,979)
Total expenditure	7	(98,197)	(198)	(21,526)	(8,272)	(57)	(394)	(128,644)
Net gains/(losses) on investments	11	–	1,075	–	188	709	2,687	4,659
Net income/(expenditure)	6	17,851	943	(21,526)	1,686	652	2,322	1,928
Transfer between funds	20	(7,831)	(649)	8,379	180	(30)	(49)	–
Other recognised gains/(losses)								
Gains/(losses) on revaluation of fixed assets	9	–	–	19,411	–	–	–	19,411
Net movement in funds		10,020	294	6,264	1,866	622	2,273	21,339
Reconciliation of funds:								
Total funds brought forward at 1 April 2020		31,644	6,614	961,788	7,189	3,393	12,088	1,022,716
Total funds carried forward at 31 March 2021		41,664	6,908	968,052	9,055	4,015	14,361	1,044,055

All recognised gains and losses are included within the Statement of Financial Activities and all the Library's activities are classed as continuing. The notes on pages 75 to 98 form part of these accounts.

The British Library Board
Balance Sheet as at 31 March 2022

	Notes	2021/22 £000	2020/21 £000
Fixed assets			
Intangible assets	8	6,394	5,511
Tangible assets	9	917,086	886,683
Heritage assets	10	76,836	75,858
Investments	11	25,084	25,034
Total fixed assets		1,025,400	993,086
Current assets			
Stocks	12	940	964
Debtors and prepayments	13	18,157	12,700
Investments	14	10,000	–
Cash at bank and in hand	15	53,703	58,403
Total current assets		82,800	72,067
Current liabilities			
Creditors: amounts falling due within one year	16	(17,510)	(20,103)
Provisions: amounts falling due within one year	18	(720)	(689)
Total current liabilities		(18,230)	(20,792)
Net current assets		64,570	51,275
Total assets less current liabilities		1,089,970	1,044,361
Creditors: amounts falling due after more than one year	19	(214)	(306)
Total net assets		1,089,756	1,044,055
Funds of the charity:			
Permanent Endowments		3,670	4,015
Expendable Endowments		13,804	14,361
Restricted funds		13,429	9,055
Unrestricted funds			
Designated funds			
Fixed asset reserve		467,741	459,182
Revaluation reserve		501,987	478,546
Donated asset reserve		30,589	30,324
Other designated funds		6,606	6,908
General funds		51,930	41,664
Total funds	20	1,089,756	1,044,055

The notes on pages 75 to 98 form part of these accounts.

The financial statements on pages 71 to 74 and accompanying notes on pages 75 to 98 were approved by the Board/Trustees on 21 June 2022, and were signed on their behalf by:



Dame Carol Black
Chair

8 July 2022



Roly Keating
Chief Executive
and Accounting Officer

8 July 2022

The British Library Board
Cash Flow Statement for the year ended 31 March 2022

	Notes	2021/22 £000	2020/21 £000
Cash flows from operating activities:			
Net cash provided by operating activities	15	20,923	19,862
Cash flows from investing activities:			
Dividends, interest and rents from Investments	5	80	196
Purchase of intangible assets	8	(1,220)	(1,913)
Purchase of property, plant and machinery	9	(13,628)	(6,045)
Purchase of heritage assets	10	(713)	(451)
Donated assets	10	(265)	–
Disposal of Investments at cost	11	123	1,831
Purchase of investments	11	–	(351)
Net cash used in investing activities		5,300	13,129
Change in cash and cash equivalents		5,300	13,129
Cash and cash equivalents brought forward		58,403	45,274
Cash and cash equivalents carried forward		63,703	58,403
Analysis of cash and cash Equivalents:			
Cash at bank and in hand		53,703	58,403
Notice deposits		10,000	–
Total cash and cash equivalents		63,703	58,403

The notes on pages 75 to 98 form part of these accounts.

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICIES

a) Accounting convention

The accounts comply with the Statement of Recommended Practice (SORP) applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and the Republic of Ireland (effective 1 January 2019), FRS 102, the Government Financial Reporting Manual (FRm), the British Library Act 1972 and the Accounts Direction issued by the Secretary of State for Digital, Culture, Media and Sport. A copy of the Direction is available from the Department for Digital, Culture, Media and Sport. Where there is a conflict between the requirements of the SORP and the FRm, the SORP has been followed with additional disclosure provided to comply with the FRm.

The Accounts have been prepared under the historical cost convention as modified by the revaluation of land and buildings and the treatment of investments which have been included at fair value.

The Board have considered the ongoing risks to the British Library's finances. The Library has prepared a balanced budget for the next three years, taking into account its balance sheet as at 31 March 2022, and carried out a range of "stress" test scenarios to model options for mitigation of any unexpected financial impacts. After management review of these forecasts and projections, the Board have a reasonable expectation that the Library has adequate resources to continue its operations for the foreseeable future. The Accounts have therefore been prepared on the going-concern basis.

b) Statement of Financial Activities (SOFA)

This statement discloses the totality of the resources receivable by the British Library during the year and their disposition.

i. Income

In general, income is accounted for when a transaction or other event results in an increase in the Library's assets or a reduction in its liabilities.

Grant-in-aid is taken to the SOFA in the year in which it is received.

Income from grants and donations is recognised in the SOFA when there is evidence of entitlement, receipt is probable and its amount can be reliably measured.

Legacies are recognised as income when there has been grant of probate, there are sufficient assets in the estate, evidence of entitlement has been received from the executor, and the amount receivable can be measured with sufficient accuracy.

Grants are recognised when the formal offer of funding is received unless there are terms and conditions related to performance, timing or raising of matched funding which must be met before entitlement, in which case income is recognised as those conditions are met.

Contractual and trading income is recognised, net of VAT, as income to the extent that the Library has provided the associated goods or services. Where income is received in advance and the Library does not have entitlement to these resources until the goods or services have been provided, the income is deferred.

Investment income relates to interest received on daily bank balances. This is recorded on an accruals basis.

ii. Expenditure

Expenditure is recognised in the financial statements when a present legal or constructive obligation exists, it is more likely than not that a transfer of economic benefits will be required in settlement and the amount of the obligation can be measured or estimated reliably.

Expenditure is classified in the SOFA under the principal categories of expenditure on raising funds, expenditure on charitable activities and other trading activities.

Where costs cannot be directly attributed, they are allocated to activities according to the method described in note 7. Expenditure on other trading activities relates to those trading activities chargeable to corporation tax, sponsorship and membership including direct and allocated support costs. Expenditure on charitable activities comprises resources applied to meet the charitable purposes of the Library, namely Custodianship, Research, Business, Culture, Learning, International and Public Lending Right payments to Authors.

Governance costs are those costs incurred in connection with the general governance of the Library including compliance with constitutional and statutory requirements.

The British Library is able to recover VAT relating to the expenditure for primary purpose activities. Any irrecoverable VAT is treated as a support cost and apportioned over the activities of the Library as described in note 7.

c) Intangible Assets

Intangible assets with an economic life of more than one year and value greater than £20,000 are capitalised. All intangible assets are measured at cost, incorporating all costs that can be directly attributed to individual assets.

The cost of creating digitised images is usually below the £20,000 threshold.

Any costs associated with the development of internal systems, including web redevelopment, are capitalised in accordance with the requirements of FRS102.

Amortisation is provided on all intangible assets as follows:

Licences

Over the contractual period

Websites and developed software

3 years

d) Tangible Assets

Assets with an economic life of more than one year and value greater than £20,000 are capitalised.

The Library's land, buildings and structural plant and machinery at St Pancras and Boston Spa are revalued for accounting purposes every five years by external chartered surveyors. The sites are valued on a depreciated replacement cost basis. Between the quinquennial valuations the Boston Spa site is either subject to an interim desktop valuation or revalued annually using relevant indices. The St Pancras site is subject to interim desk top revaluations because general indices available do not accurately reflect changes in such a specialist site.

Expenditure on building digital infrastructure is capitalised on an annual basis. Any directly attributable costs for the digital

programmes are capitalised and depreciated in line with other computer equipment.

Impairment reviews are carried out at the end of each reporting period in accordance with FRS102 to ensure that the carrying values of the assets do not exceed their recoverable amount.

Depreciation is provided on all tangible fixed assets other than freehold land. Depreciation rates are calculated to write-off the cost or valuation of each asset, less estimated residual value, evenly over its expected useful life, as follows:

Freehold buildings

Over the remaining useful life as at the valuation date, up to a maximum of 75 years

Plant and machinery and furniture, fittings and equipment

3 to 25 years

Computer equipment

3 to 5 years

Motor vehicles

4 years

Assets in the course of construction

No depreciation is charged until the asset is operational and supporting the activities of the Library

e) Heritage Assets

The Library accounts for the objects in its collection as non-operational heritage assets, in accordance with SORP Module 18 Accounting for Heritage Assets. A heritage asset is defined as 'a tangible or intangible asset with historical, artistic, scientific, technological, geophysical or environmental qualities that is held and maintained principally for its contribution to knowledge and culture.'

Capitalised heritage assets are not depreciated because they are deemed to have indefinite lives, but are subject to impairment reviews where damage or deterioration is reported.

i. Heritage assets acquired since 1 April 2001

The Library includes donated or purchased heritage assets acquired since 1 April 2001 on the balance sheet at cost or valuation at the time of acquisition. Valuations are performed during the year of acquisition by internal curatorial experts based on their expert knowledge and, where appropriate, with reference to recent sales of similar objects. The cost or valuation is not subject to revaluation because such information cannot be obtained at a cost commensurate with the benefit to users of the financial statements.

ii. Heritage assets acquired before 1 April 2001

The Library has not capitalised heritage assets acquired prior to 1 April 2001. This is because comprehensive valuation, as illustrated below, would not provide a meaningful figure for users of the financial statements and the cost of doing so is not commensurate with the benefits to users of the financial statements.

Historic cost – while it may be possible to assign a cost to items purchased within a financial year, historic cost quickly becomes obsolete and meaningless, not only because of general price movements where markets for similar items do exist, but also because of changing opinions about attribution and authenticity, subsequent research into objects that reveals new value, the emergence of new information about the provenance of an item or changes in taste.

Valuation – attempting to value heritage assets acquired historically raises a number of further conceptual concerns. Valuation of heritage assets is complicated by the nature of many such assets. They are rarely sold and often have a value enhanced above the intrinsic through their association with a person, event or collection, there are a very limited number of buyers, no homogeneous population of assets on the market, and imperfect information about the items for sale. In contrast with many commercial assets, therefore, there is seldom an active market to provide indicative values of similar objects. This makes materially accurate valuations impossible to achieve for many heritage assets. Individual expert valuation would therefore be required, the cost of which would be prohibitive.

f) Stocks

Stocks for re-sale are stated at the lower of cost and net realisable value. Provision is made against slow-moving and obsolete stock. Stocks held in respect of book-binding activities are recorded at cost. As this stock is not of a general nature it would not be cost-effective to test the realisable value in determining which provides the lower valuation. Any stocks of consumables held are considered written-off at the time of purchase.

g) Financial Instruments

The Library only has financial assets and financial liabilities of a kind that qualify as basic financial instruments. All fall due within five years. These have been accounted for in accordance with FRS102.

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial instruments are

recognised on the Library's balance sheet when the Library becomes a party to the contractual provisions of the instrument. Assets are derecognised when the rights to receive cash flows from the financial assets have expired or where the Library has transferred substantially all risks and rewards of ownership. Liabilities are derecognised when all obligations in respect of them have been discharged. Where material, assets and liabilities falling due after more than one year are discounted to their present value.

The Library's investments comprise restricted funds that have been invested in unit trusts traded on an active market. These have been classified as available for sale and recognised at fair value, with any gains or losses reflected in the SOFA in the period in which they arise. Other financial instruments (notably trade debtors, current asset investments, cash at bank and in hand, and trade creditors) are initially recognised at fair value (i.e. cost) plus or minus material transaction costs directly attributable to their acquisition or issue; and subsequently measured at cost, less impairment where material.

An assessment of whether there is objective evidence of impairment is carried out for material financial assets at the balance sheet date. Objective evidence includes, for example, significant financial difficulty of the issuer or debtor, disappearance of an active market for the financial asset, or data indicating that there is a measurable decrease in the estimated future cash flows from a group of financial assets since the initial recognition. Where there is objective evidence that a financial instrument is impaired, its loss is reflected in the SOFA.

h) Cash at bank and in hand

Cash at bank and in hand is held to meet short-term cash commitments as they fall due rather than for investment purposes and includes all cash equivalents held in the form of short-term highly liquid investments. Cash equivalents are short-term highly liquid investments that are readily convertible to known amounts of cash and that are subject to insignificant risk of changes in value. These comprise deposits in call accounts with a duration of 1 year or less.

i) Provisions

The Library provides for legal or constructive obligations which are of uncertain timing or amount on the balance sheet date on the basis of best estimate of the expenditure required to settle the obligation. Provisions are recognised where there is a present obligation as a result of a past event, it is probable that a transfer of economic benefits will be required to settle the obligation and a reliable estimate of the amount can be made.

j) Foreign currencies

Transactions denominated in foreign currencies are translated at the exchange rate at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are translated at the exchange rate at that date. Foreign exchange differences arising on translation are reflected in the SOFA.

k) Leases

Costs relating to operating leases are charged to the SOFA over the life of the lease.

At the commencement of the lease term, finance leases are recorded as an asset and a liability at the lower of the fair value of the asset and the present value of the minimum lease payments

discounted at the interest rate implicit in the lease. Finance lease payments are apportioned between the finance charge and the reduction of the outstanding liability so as to produce a constant periodic rate of interest.

l) Pensions

Past and present employees are covered by the provisions of the Principal Civil Service Pension Scheme (PCSPS) and the Civil Servant and Other Pension Scheme (CSOPS) – known as “alpha”. These are unfunded multi-employer defined benefit schemes but the Library is unable to identify its share of the underlying assets and liabilities. The scheme actuary published the results of the revaluation as at 31 March 2016 in summer 2018. Increases to the contribution rates arising from that valuation have been implemented in April 2019. You can find details in the resource accounts of the Cabinet Office: Civil Superannuation (civilservicepensionscheme.org.uk).

The expected cost of these elements is recognised on a systematic and rational basis over the period during which the Library benefits from employees’ services by payment to the PCSPS/alpha of amounts calculated on an accruing basis. Liability for payment of future benefits is a charge on the PCSPS/alpha.

In respect of the defined contribution schemes, we recognise the contributions payable for the year.

Further details can be found in note 7(d) to the accounts.

m) Taxation

The Library is exempt from corporation tax on its charitable activities under the provisions of the Corporation Taxes Act 2010.

Income from non-charitable activities is subject to corporation tax at the prevailing rate.

n) Fund accounting

The Library has the following categories of funds:

i. General funds are available for use at the discretion of the Board in furtherance of the general objectives of the Library.

ii. Designated funds comprise funds which have been set aside at the discretion of the Board for specific purposes. Board approval is required for any allocation to/from designated funds.

iii. Restricted funds are resources subject to specific restrictions imposed by donors or by the purpose of the appeal.

Transfer between funds will occur when Library or Restricted funds services are utilised by an opposite category of fund. Transfers may also occur during the purchase of tangible and heritage assets if a restricted fund is to contribute to the purchase. These transfers are reflected in the transfer column in note 20 on page 91.

o) Estimation Techniques

In preparation of the accounts a number of estimation techniques are used:

- In the interim years between professional revaluations, the Library’s land, buildings and plant and machinery are subject to either a desktop re-valuation or to index linked re-valuation. Where index-linked revaluation is applied land and buildings are re-valued using an appropriate index provided by the Royal Institute of Chartered Surveyors. Plant and Machinery assets are re-valued using an appropriate index provided by the Office for National Statistics

- To establish that the correct costs are included in the correct period, it is assumed that, as over 96% of the Library’s serial subscriptions operate on a calendar year renewal, the same allocation is applied to all serial expenditure
- The financial statements include an accrual for outstanding holiday pay due to employees as at 31 March. The accrual is calculated by pro-rating annual salary over the number of days leave outstanding at 31 March for each employee
- Donated heritage assets are valued by internal curatorial experts based on their knowledge and, where appropriate, with reference to recent sales of similar objects.

p) Contingent liabilities

Contingent liabilities are disclosed in line with the Charities SORP (FRS 102). Contingent liabilities are recognised when there is either: a possible but uncertain obligation, or a present obligation that is not recognised because a transfer of economic benefit to settle the possible obligation is not probable; or the amount of the obligation cannot be estimated reliably.

q) New reporting standards not yet adopted

Because the Charities SORP (FRS 102) is followed, the following reporting standards, which have been published and come into effect, have not been applied in these financial statements.

- IFRS 9 ‘Financial Instruments’
- IFRS 15 ‘Revenue from contracts with customers’
- IFRS 16 ‘Leases’

The Library does not believe the adoption of these standards would have a material effect on the SOFA or financial position of the Library.

2. GRANT IN AID

Total Grant in Aid drawdown by the British Library Board in 2021/22 was £110.4m, with £10.3m allocated for capital projects, improvements and heritage asset acquisitions (£108.2m received in 2020/21, £8.6m for capital). The Library's Grant in Aid also included £6.6m for Public Lending Right of which £6m was for distribution to authors.

The Grant in Aid totals include additional allocations for capital and development projects as described in the Financial Review on page 45. Also included in the 2020/21 figure is £1.65m received from the DCMS Covid Emergency Fund which has been repaid by reducing the amount of Grant in Aid drawn down in 2021/22. This income was reported in 2020/21 in line with the accounting policy which is to take Grant in Aid to the SOFA in the year in which it is received.

3. DONATIONS AND LEGACIES

	Unrestricted £000	2021/22 Restricted £000	Total £000	Unrestricted £000	2020/21 Restricted £000	Total £000
Donated Assets	265	–	265	–	–	–
Other Donations and Grants	824	18,997	19,821	701	8,823	9,524
	1,089	18,997	20,086	701	8,823	9,524

Included in donations and grants is £130k received in EU grants relating to three projects (2020/21: £223k relating to two projects). The Library is not the lead partner in any of these projects. In 2020/21 the Library was lead partner in no projects. In the year the Library made no payments to other EU partners (2020/21: nil).

4. INCOME FROM CHARITABLE ACTIVITIES

	2021/22 £000	2020/21 £000
Custodianship	84	295
Research	3,378	2,259
Business	584	461
Culture	3,643	2,034
Learning	52	23
International	45	166
Enabling activities	1,967	2,346
	9,753	7,584

Income from Charitable Activities includes Document Supply and other information services, sponsorship income, licensing and royalties, publication sales, exhibition entrance fees, retail income, income for performing Public Lending Right facilities for the Irish Government and income from performance related grants.

5. INVESTMENT INCOME

	2021/22 £000	2020/21 £000
Interest from UK bank deposits	80	196
	80	196

6. NET EXPENDITURE

Net expenditure is stated after charging:

	2021/22 £000	2020/21 £000
External audit fee	74	72
Operating lease rentals: other	57	71
Loss on disposal of fixed assets	134	30
Movement on bad debt provision	279	40
Movement on stock provision	32	(6)

There were no non-audit services provided by the external auditors during 2021/22 (2020/21: nil). During the year, the Library took advice on taxation matters totalling £42k (2020/21 £43k).

7. ANALYSIS OF EXPENDITURE

a) Cost by activity

	Direct Costs £000	Depreciation and Impairment £000	Allocated Support Costs £000	Total 2021/22 £000
Charitable activities				
Custodianship	26,869	5,709	17,036	49,614
Research	23,404	4,974	10,137	38,515
Business	7,329	1,557	2,443	11,329
Culture	7,085	1,506	4,089	12,680
Learning	914	194	337	1,445
International	2,974	632	1,186	4,792
Public Lending Right – payment to authors	6,041	–	–	6,041
Total Charitable activities	74,616	14,572	35,228	124,416
Raising donations and legacies	953	203	333	1,489
Investment management costs	123	–	–	123
Other trading activities	1,059	62	106	1,227
	76,751	14,837	35,667	127,255

	Direct Costs £000	Depreciation and Impairment £000	Allocated Support Costs £000	Total 2020/21 £000
Charitable activities				
Custodianship	25,458	8,136	16,580	50,174
Research	23,767	7,596	10,588	41,951
Business	6,604	2,110	2,441	11,155
Culture	5,369	1,716	3,362	10,447
Learning	925	296	368	1,589
International	2,673	854	1,096	4,623
Public Lending Right – payment to authors	6,040	–	–	6,040
Total Charitable activities	70,836	20,708	34,435	125,979
Raising donations and legacies	948	303	344	1,595
Investment management costs	117	–	–	117
Other trading activities	771	81	101	953
	72,672	21,092	34,880	128,644

b) Cost allocation

Costs that cannot be directly attributed to one of the Library's charitable purposes are allocated to purposes on a basis consistent with the use of resources. Finance costs, including irrecoverable VAT are allocated using the proportion of direct expenditure and, where applicable direct income, spent and received for each of the objectives. Human resources

costs are allocated based on staff numbers. Estates and security costs are allocated based on the proportion of space occupied by each activity. Information Systems costs and other corporate costs are allocated using the proportion of direct expenditure of each purpose.

	Estates and Security £000s	Human Resources £000s	Finance £000s	IT and other Central Costs £000s	Total 2021/22 £000s
Charitable activities					
Custodianship	8,931	1,272	825	6,008	17,036
Research	2,897	1,251	756	5,233	10,137
Business	311	125	368	1,639	2,443
Culture	1,943	260	302	1,584	4,089
Learning	56	51	26	204	337
International	166	151	204	665	1,186
Public Lending Right – payment to authors	–	–	–	–	–
Total charitable activities	14,304	3,110	2,481	15,333	35,228
Raising donation and legacies	50	45	25	213	333
Investment management costs	–	–	–	–	–
Other trading activities	17	16	8	65	106
	14,371	3,170	2,514	15,611	35,667

	Estates and Security £000s	Human Resources £000s	Finance £000s	IT and other Central Costs £000s	Total 2020/21 £000s
Charitable activities					
Custodianship	8,060	963	1,338	6,219	16,580
Research	2,702	914	1,166	5,806	10,588
Business	272	87	469	1,613	2,441
Culture	1,551	186	313	1,312	3,362
Learning	56	42	44	226	368
International	167	124	152	653	1,096
Public Lending Right – payment to authors	–	–	–	–	–
Total charitable activities	12,808	2,316	3,482	15,829	34,435
Raising donation and legacies	43	32	37	232	344
Investment management costs	–	–	–	–	–
Other trading activities	6	5	28	62	101
	12,857	2,353	3,547	16,123	34,880

c) Governance costs

	2021/22 £000	2020/21 £000
Board members' fees	128	144
Board members' reimbursed expenses	–	–
Cost of Board and Committee meetings	15	7
British Library Advisory Council expenses	–	–
Auditors' remuneration	74	72
Internal audit costs	112	126
Annual Report and Accounts production	1	3
	330	352

d) Staff costs

	2021/22	2020/21
	£000	£000
Wages and salaries	46,298	47,267
Social security costs	4,571	4,531
Employer pension costs	12,108	12,082
Agency and seconded staff costs	1,874	2,167
Early retirement, voluntary exit and redundancy costs	39	58
	64,890	66,105
Board Members' remuneration		
Fees and salaries (including CEO)	285	312
Social security costs	25	27
Other emoluments	–	–
	310	339
	65,200	66,444

During the year £331,301 (2020/21: £242,987) of staff costs have been capitalised in relation to IT systems development.

The Board Members' remuneration shown on page 55 of the Remuneration Report covers all Board members, including the Chair, apart from the Chief Executive.

For 2021/22 employer's contributions of £11,963,050 were payable to the PCSPS (2020/21: £11,905,671) at one of four rates in the range 26.6% to 30.3% of pensionable pay, based on salary bands. The scheme's actuary reviews employer contributions every four years following a full scheme valuation. The contribution rates reflect benefits as they are accrued, not when the costs are actually incurred, and reflect past experience of the scheme.

Employees can opt to open a partnership pension account which is a stakeholder pension with an employer contribution. Employer's contributions of £144,716 (2020/21: £175,990) were paid to one or more of the four appointed stakeholder pension providers. Employer contributions are age-related and ranged from 8% to 14.75%. Employers also match employee contributions up to 3 per cent of pensionable pay.

In addition, employer contributions of between 0.5% and 0.8% of pensionable pay, were payable to the PCSPS to cover the cost of the future provision of lump-sum benefits on death in service and ill-health retirement of these employees.

The number of employees, (excluding the Executive Leadership Team for whom details of remuneration are contained in the Remuneration Report) whose full time equivalent emoluments as defined for taxation purposes amounted to over £60,000 in the year was as follows:

	2021/22	2020/21
£60,001– £70,000	23	23
£70,001– £80,000	9	7
£80,001– £90,000	7	9
£90,001– £100,000	3	1
£100,001– £110,000	1	1

All of the above employees are members of the PCSPS pension scheme.

e) Full time equivalents by activity

The average number of full time equivalent employees analysed by activity was:

	2021/22		Total	2020/21		Total
	Staff	Agency and contract		Staff	Agency and contract	
Charitable activities						
Custodianship	439	5	444	457	–	457
Research	432	16	448	434	27	461
Business	43	–	43	41	–	41
Culture	89	1	90	89	1	90
Learning	18	–	18	20	–	20
International	52	–	52	59	–	59
Total charitable activities	1,073	23	1,095	1,100	28	1,128
Raising donations and legacies	16	–	16	15	–	15
Other trading activities	5	–	5	2	–	2
Enabling activities	344	10	354	323	14	337
	1,438	32	1,470	1,440	42	1,482

The average headcount during the year excluding agency and contract staff was 1,558 (2020/21: 1,565).

f) Off-payroll engagements

Following the Review of Tax Arrangements of Public Sector Appointees published by the Chief Secretary to the Treasury on 23 May 2012 and implemented on 23 August 2012, departments and their arm's-length bodies must publish information on their highly paid and/or senior off-payroll engagements.

i. Highly paid off-payroll worker engagements as at 31 March 2022, earning £245 per day or greater

	2021/22
Number of existing engagements at 31 March 2022	6
Of which:	
Number that have existed for less than one year at time of reporting	4
Number that have existed for between one and two years at time of reporting	1
Number that have existed for between two and three years at time of reporting	1
Number that have existed for between three and four years at time of reporting	–
Number that have existed for four or more years at time of reporting	–

All existing off-payroll engagements, outlined above, have at some point been subject to a risk based assessment as to whether assurance is required that the individual is paying the right amount of tax and, where necessary, that assurance has been sought.

None of these off-payroll workers were furloughed during this period.

ii. All highly paid off-payroll workers engaged at any point during the year ended 31 March 2022, earning £245 per day or greater

	2021/22
Number of temporary off-payroll workers engaged during the year ended 31 March 2022	7
Of which:	
Not subject to off-payroll legislation	7
Subject to off-payroll legislation and determined as in-scope of IR35	–
Subject to off-payroll legislation and determined as out-of-scope of IR35	–
Number of engagements reassessed for compliance or assurance purposes during the year	–
Of which: Number of engagements that saw a change to IR35 status following the review	–

iii. Sound and music recordings for any off-payroll engagements of board members, and/or, senior officials with significant financial responsibility, between 1 April 2021 and 31 March 2022

	2021/22
Number of off-payroll engagements of board members and/or senior officials with significant financial responsibility during the financial year	–
Total number of individuals on payroll and off-payroll that have been deemed “board members, and/or, senior officials with significant financial responsibility”, during the financial year	16

8. INTANGIBLE ASSETS

	IT Systems	Assets in the Course of Construction	Total
Cost	£000	£000	£000
At 1 April 2021	4,824	4,137	8,961
Additions	19	1,201	1,220
Disposals	–	–	–
Transfers	3,147	(3,147)	–
At 31 March 2022	7,990	2,191	10,181
Amortisation			
At 1 April 2021	3,450	–	3,450
Charge for year	337	–	337
Disposals	–	–	–
At 31 March 2022	3,787	–	3,787
Net book value at 31 March 2022	4,203	2,191	6,394
Net book value at 31 March 2021	1,374	4,137	5,511

Assets in the Course of Construction (AICC) represent work on the development of internal computer systems.

9. TANGIBLE FIXED ASSETS

a) Movements

	Land £000	Buildings £000	Fit Out Plant & Machinery £000	Furniture, Fittings & Equipment £000	Motor Vehicles £000	Computer Equipment £000	Assets in the Course of Construction £000	Total £000
Cost or Valuation								
At 1 April 2021	215,644	445,317	219,116	10,991	20	24,564	4,986	920,638
Additions	–	–	310	131	–	249	12,938	13,628
Transfers	–	1,498	1,176	11	–	(11)	(2,674)	–
Revaluation	1,064	9,764	3,709	–	–	–	–	14,537
Impairment reversal	–	1,715	1,611	–	–	–	–	3,326
Disposals	–	(122)	–	(50)	–	(5,107)	(12)	(5,291)
At 31 March 2022	216,708	458,172	225,922	11,083	20	19,695	15,238	946,838
Depreciation								
At 1 April 2021	–	–	–	10,338	5	23,612	–	33,955
Charge for year	–	6,178	10,695	132	5	817	–	17,827
Transfers	–	–	–	11	–	(11)	–	–
Revaluation	–	(6,178)	(10,695)	–	–	–	–	(16,873)
Disposals	–	–	–	(50)	–	(5,107)	–	(5,157)
At 31 March 2022	–	–	–	10,431	10	19,311	–	29,752
NBV at 31 March 2022	216,708	458,172	225,922	652	10	384	15,238	917,086
NBV At 31 March 2021	215,644	445,317	219,116	653	15	952	4,986	886,683

Assets in the Course of Construction (AICC) represent work on building and fit out enhancements.

b) Valuations

The St Pancras site is considered to be “specialised” in nature. It was revalued using the Depreciated Replacement Cost basis by Carter Jonas Chartered Surveyors as at 31 March 2020. The next full revaluation is due on 31 March 2025. An interim desktop valuation has been obtained from Carter Jonas Chartered Surveyors to update the value of land, buildings and fit out plant and machinery at 31 March 2022.

The buildings on the Boston Spa site have no directly comparable alternatives. The site is therefore considered to be “specialised” in nature and, in accordance with HM Government Financial Reporting Manual (“FReM”), was revalued using the Depreciated Replacement Cost method by Carter Jonas Chartered Surveyors as at 31 March 2019. The next full revaluation is due on 31 March 2024. An interim desktop valuation has been obtained from Carter Jonas Chartered Surveyors to update the values of land, buildings and fit out plant and machinery at 31 March 2022.

All land and buildings are freehold.

The historic cost of the land, buildings and structural plant and machinery is £557m.

10. HERITAGE ASSETS

a) Nature and scale of the Collection

The British Library is the national library of the United Kingdom and one of the world's greatest research libraries. It is one of the six legal deposit libraries of the United Kingdom and it receives copies of all publications produced in the United Kingdom and the Republic of Ireland. The Library's collection is one of the largest in the world, holding over 170 million items, but in the absence of a consensus about what constitutes a single item it is not possible to reach a definitive statement of the size of the collection. The collection includes material from across the world, covering a wide range of languages, formats and materials including books, journals, newspapers, magazines, sound and music recordings, patents, databases, maps, manuscripts, stamps, prints, drawings and much more. It is unique in its breadth, depth and scope. Many items are priceless and irreplaceable.

The Library's collections constitute a unity, although they are managed through four curatorial departments:

- Asian and African Collections comprise collections in all languages from Asia and Africa and also includes the Visual Arts section which has special responsibility for the Library's public art collection as well as photography and art from the India Office
- Contemporary British Collections cover collections of material of a relatively recent (post 1999 for published works, post 1949 for manuscripts and archives) British origin including digital and printed publications, manuscripts, archives and sound recordings.

- European and American Collections include collections in all languages from continental Europe, the Americas, the Caribbean, Australia, the Pacific and also English language Asian material.
- Western Heritage Collections cover over 2,000 years of printed, manuscript and archival resources from around Britain and the wider world in a wide array of formats and also includes the Library's collections of manuscript, printed and digitally published music.

The British Library records its collection in publicly accessible catalogues. The main catalogues are digital and accessible through the Library's website. The Library continuously upgrades its digital catalogues and includes items previously described only in printed or other analogue catalogues.

The Library actively seeks to make its collections accessible in digital form and currently above 147 million pages of the collection are accessible digitally either through the Library's own systems or via commercial partners who give access to the materials through time limited licence agreements. The vast majority of these digital images are of items which one would classify as heritage items.

The Library does not segregate its information on items which may be classified as heritage items from other collection items, but it affords higher degrees of protection to categories of materials. This stratified approach to protection is managed through a system of reading categories which assigns various levels of protection to the items of the collection, restricting their use to higher security reading rooms etc.

The collection is accessible to registered readers in our reading rooms. The overwhelming majority of the collection can be consulted by registered readers without any specific permission. A small number of highly valuable or vulnerable heritage items are restricted in order to protect them from deterioration through excessive use. Probably amounting to less than one per cent of the collection, they can be consulted upon application which will be assessed on the basis of the research needs and the need for responsible protection of the item. Access to a small part of the heritage collection is restricted for legal reasons, the main cause being data protection issues, for instance in contemporary archives of authors or politicians.

b) Policies on acquisitions, preservation, management and disposal

All items within the British Library collection contribute to the development of knowledge and culture. The collection is carefully developed and managed through a series of policies governing all aspects of acquisitions, preservation and access. A summary of the main policies can be found at bl.uk/about-us/freedom-of-information/5-our-policies-and-procedures.

i. Acquisitions

Within the Library's acquisition policies, there is a distinction made between unique heritage items and contemporary, research-level academic publications. Heritage items are defined as items acquired to be used preponderantly as primary sources for research, forming part of the Library's collection of unique materials. Under this definition, all heritage items are major acquisitions, whether purchased or donated.

The Library continues to develop its heritage collection for the benefit of current and future generations of researchers. Heritage acquisitions are made in accordance with the Library's Ethical Acquisitions Policy which can be found at bl.uk/about-us/freedom-of-information/5-our-policies-and-procedures. A Due Diligence Policy and a Due Diligence Process are followed to ensure legal and ethical concerns surrounding acquisitions have been identified and addressed. To ensure accountability these acquisitions are managed through the Library's Heritage Acquisitions Policy: the Library's Heritage Acquisitions Group assess and score each proposed acquisition according to established criteria and also challenge valuations. The decisions are minuted and the associated documentation is archived as due diligence documentation.

ii. Preservation and management

The Preservation Department's role is to safeguard the collections from harm while enabling continued and appropriate access to them.

A dedicated Collection Management division manages both digital and physical collections with constituent departments undertaking selection, acquisition, ingest/metadata capture, preservation and discovery and access functions.

All activities are underpinned by the Library's core preservation principle of risk management and mitigation. The general public can learn more about this by reading the Conservation Policy at bl.uk/about-us/freedom-of-information/5-our-policies-and-procedures.

The Library has a duty to catalogue items in the collection and for this there is a planned programme of work. All catalogues are listed on the website and can be accessed by members of the public.

iii. Disposal

The Library exists to preserve and make available the national printed archive of the UK together with purchased and donated material. It does not normally dispose of material in its collections and never disposes of items from the collection accepted under legal deposit. Disposal is governed by the British Library Act and by the Deaccessioning Policy of the British Library Board which can be found at bl.uk/about-us/freedom-of-information/5-our-policies-and-procedures.

c) Heritage assets capitalised

Heritage assets purchased

	2021/22		2020/21		2019/20		2018/19		2017/18	
	Cost £000	No. of Items	Cost £000	No. of Items	Cost £000	No. of Items	Cost £000	No. of Items	Cost £000	No. of Items
At 1 April	45,534	345	45,083	340	43,839	343	40,535	324	39,151	314
Additions	713	11	451	5	1,287	8	3,304	19	1,384	10
Adjustments	–	(3)	–	–	–	(10)	–	–	–	–
Disposals	–	–	–	–	(43)	(1)	–	–	–	–
At 31 March	46,247	353	45,534	345	45,083	340	43,839	343	40,535	324

Heritage assets donated

	2021/22		2020/21		2019/20		2018/19		2017/18	
	Cost £000	No. of Items	Cost £000	No. of Items	Cost £000	No. of Items	Cost £000	No. of Items	Cost £000	No. of Items
At 1 April	30,324	47	30,324	47	30,223	44	29,013	44	28,958	42
Additions	265	5	–	–	101	3	1,210	2	55	2
Impairments	–	–	–	–	–	–	–	(2)	–	–
Disposals	–	–	–	–	–	–	–	–	–	–
At 31 March	30,589	52	30,324	47	30,324	47	30,223	44	29,013	44
Total At 31 March	76,836	405	75,858	392	75,407	387	74,062	387	69,548	368

Adjustments to the number of heritage assets are to remove duplication where collection items purchased by multiple payments had historically been counted as multiple items.

The disposal in 2019/20 relates to an item bequeathed to the Library for which the acquisition eventually failed.

11. INVESTMENTS

	2021/22 £000	2020/21 £000
Market Value at 1 April	25,034	21,854
Additions	–	351
Disposals	–	(1,714)
Management fee	(123)	(117)
Unrealised Gain / (Loss)	173	4,413
Realised Gain on Disposal	–	247
Market value at 31 March	25,084	25,034

Fixed asset investments are held for the purpose of generating income and/or capital growth appropriate to the Library's restricted and designated funds.

All investments are held in Diversified Growth Funds managed by Baillie Gifford and Ninety One plc.

Detail of the Library's investment policy can be found in the investments and financial risks section of the financial review on page 49.

12. STOCKS

	2021/22 £000	2020/21 £000
Stocks for resale	788	807
Raw materials	152	157
	940	964

Stocks for resale comprise printed, microfiche, CD-ROM publications and exhibition-related merchandise, and are available from the British Library Shop and Library website. Raw materials stocks are items for the conservation of books including leathers, hides and papers.

13. DEBTORS AND PREPAYMENTS

	2021/22 £000	2020/21 £000
Amounts falling due within one year		
Trade debtors	1,210	1,152
Other debtors	47	32
Taxation and social security	2,829	2,147
Prepayments	5,480	4,550
Accrued income	8,591	4,819
	18,157	12,700

14. CURRENT ASSET INVESTMENTS

	2021/22 £000	2020/21 £000
Short term deposits	10,000	–

15. CASH AT BANK AND IN HAND

	2021/22				2020/21			
	General	Restricted	Customer deposits	Total	General	Restricted	Customer deposits	Total
	£000	£000	£000	£000	£000	£000	£000	£000
Cash at bank	43,231	8,334	2,129	53,694	46,794	9,115	2,484	58,393
Cash in hand	9	–	–	9	10	–	–	10
	43,240	8,334	2,129	53,703	46,804	9,115	2,484	58,403

Customer deposit account balances represent payments from customers in advance of supply of goods/services.

a) Analysis of change in net funds

	As at 1 April 2020 £000	Cash Flows £000	As at 1 April 2021 £000	Cash Flows £000	As at 31 March 2022 £000
Short term deposits	17,000	(17,000)	–	10,000	10,000
Government Banking Services cash at bank	5	(1)	4	(1)	3
Commercial cash at bank	28,263	30,126	58,389	(4,698)	53,691
Cash in hand	6	4	10	(1)	9
	45,274	13,129	58,403	5,300	63,703

b) Cash flow information

Reconciliation of net income/(expenditure) to net cash flow from operating activities.

	2021/22 £000	2020/21 £000
Net income for the year	14,291	1,840
Depreciation charges	17,827	20,738
Amortisation charges	337	266
(Impairment reversal) / impairment	(3,326)	609
Gains on investments	(173)	(4,659)
Investment income	(80)	(196)
Loss on the sale of Fixed Assets	134	30
Decrease/(increase) in stocks	24	(73)
Increase in debtors	(5,457)	(1,787)
(Decrease) / increase in creditors	(2,685)	3,089
Increase in provisions	31	5
Net Cash provided by operating activities	20,923	19,862

16. CREDITORS DUE WITHIN ONE YEAR

	2021/22 £000	2020/21 £000
Amounts falling due within one year		
Trade creditors	3,154	3,725
Monies held on deposit for customers	2,129	2,492
Other creditors	1,689	1,617
Lease creditors	92	90
Taxation and social security	1,177	1,157
Accruals	6,465	5,805
Deferred income	2,804	5,217
	17,510	20,103

The movement on the deferred income account is as follows:

	2021/22 £000	2020/21 £000
Deferred income brought forward	5,217	3,470
Release from previous year	(4,862)	(1,975)
Income deferred in the current year	2,449	3,722
Deferred income carried forward	2,804	5,217

Deferred income relates to grants received and voluntary income recognised against project milestones and progress, and membership and subscription fees which are recognised over the period of the contract.

17. LEASE COMMITMENTS

Operating Leases which expire:

	Equipment	
	2021/22 £000	2020/21 £000
Within one year	53	57
Two to five years	66	119
More than five years	–	–
Total	119	176

The leased assets comprise 136 printer/copier devices and associated networking software.

Finance Leases which expire:

	Equipment	
	2021/22 £000	2020/21 £000
Within one year	92	97
Two to five years	214	317
More than five years	–	–
Total	306	414

The leased asset comprises fit out plant and machinery in a storage building at Boston Spa.

18. PROVISION FOR LIABILITIES AND CHARGES

	Early Retirement /Severance Provision £000	2021/22 Other Liabilities and Charges £000	Total £000	Early Retirement /Severance Provision £000	2020/21 Other Liabilities and Charges £000	Total £000
At 1 April	–	689	689	–	684	684
Additional Provision	–	69	69	–	73	73
Release of Provision	–	(12)	(12)	–	–	–
Utilisation of Provision	–	(26)	(26)	–	(68)	(68)
At 31 March	–	720	720	–	689	689
Less provisions falling due within one year	–	720	720	–	689	689
Amounts falling due after one year	–	–	–	–	–	–

The other provisions relate to £720k unclaimed balances owed to authors and customers with credit balances on their accounts (2020/21 £689k).

19. CREDITORS DUE AFTER MORE THAN ONE YEAR

	2021/22 £000	2020/21 £000
Amounts falling due after more than one year		
Lease creditors	214	306
Total	214	306

20. STATEMENT OF FUNDS

a)

	At 1 April 2021	Income	Expenditure	Capital Transfers	Net movement on investments and revaluation	Transfers	At 31 March 2022
	£000	£000	£000	£000	£000	£000	
Permanent endowment funds	4,015	–	(172)	(200)	27	–	3,670
Expendable endowment funds	14,361	17	(572)	(100)	99	(1)	13,804
Restricted funds by purpose							
Custodianship	6,693	3,908	(4,064)	(261)	6	490	6,772
Research	700	683	(571)	–	1	(129)	684
Business	327	1,650	(1,126)	–	–	75	926
Culture	355	127	(117)	(141)	–	5	229
Learning	248	32	(62)	–	–	(1)	217
International	568	4,847	(2,384)	–	–	(672)	2,359
PLR	56	–	–	–	–	12	68
Overheads and support	108	7,936	(5)	(5,859)	–	(6)	2,174
Total restricted funds	9,055	19,183	(8,329)	(6,261)	7	(226)	13,429
Unrestricted funds							
Revaluation reserve	478,546	–	–	–	31,410	(7,969)	501,987
Fixed asset reserve	459,182	–	(14,972)	6,561	–	16,970	467,741
Donated asset reserve	30,324	265	–	–	–	–	30,589
Shaw fund	6,130	13	(57)	–	40	1	6,127
Other designated funds	778	38	(342)	–	–	5	479
Total designated funds	974,960	316	(15,371)	6,561	31,450	9,007	1,006,923
General funds	41,664	121,857	(102,811)	–	–	(8,780)	51,930
Total unrestricted funds	1,016,624	122,173	(118,182)	6,561	31,450	227	1,058,853
Total funds	1,044,055	141,373	(127,255)	–	31,583	–	1,089,756

The transfers relate to internal charges or income applied to the restricted funds for the use of Library facilities and services. Capital transfers relate to the use of restricted funds for the purchase of fixed assets.

Permanent endowment funds

These comprise funds donated on the condition that the capital value of the donation is held in perpetuity. The income alone can be used for the following purposes:

Endowment – sponsorship	for the sponsorship of programmes and projects in the area of Scholarship and Collections
Bridgewater Fund 292636–1	for the purchase of manuscripts for addition to the Bridgewater collection
Hazlitt Fund 292636–6	for the purchase of early English books printed before 1650
Dingwall Fund 292636–3	for the advancement of public education in literature by purchasing for the benefit of bona fide scholars or students of literature those works of an obscene or erotic nature which the trustees shall consider to be of educational worth
T S Blakeney 291711	for the purchase of Western manuscripts which meet collection strategy
Sir Anthony Panizzi 286081	for the advancement of public education by funding a lecture or series of lectures in the subject of bibliography
Sir Henry Thomas Trust 292636–10	for the purchase of books relating to the culture and literature of Spain
Dingwall No 2 Fund 292636–11	to buy fine editions or to subscribe to foreign periodicals
Ginsberg Legacy	to fund a full time curatorial post for Thai, Lao and Cambodian collections

Expendable endowment funds

These comprise funds donated on condition that the capital value of the donation is held for the long term. The Board have discretionary power to use the funds as income for the following purposes:

HLF/DCMS Catalyst Endowment Fund	to provide a sustainable annual income stream that will be used to enhance the Library's collections, increasing access and engagement to them.
HLF/DCMS Catalyst Endowment Fund – Neighbour	for the purchase of musical manuscripts, printed editions and documents of musical interest
Consolidated Endowment Account	for any purpose approved by the British Library Board where there has not been adequate provision made through Government Grant in Aid
David and Mary Eccles Centre for American Studies	for the establishment of a Centre for American Studies within the British Library

Restricted funds

These are funds where the donors have specified the uses to which they may be put.

Unrestricted designated funds

These are unrestricted funds which the Board have set aside for a specific purpose.

Collection Care Restoration Fund	to be used to cover the costs of repair/replacement of damaged Collection items
Shaw fund	to be applied as an addition to other sources of funding, for the benefit of the readership of the British Library
Membership and general donations	for the general purpose of the British Library, as decided upon by the Executive Team
Revaluation reserve	funds representing the revaluation of fixed assets
Fixed asset reserve	funds relating to capital assets
Donated asset reserve	funds relating to donated assets

Unrestricted general funds

These are expendable unrestricted funds.

b) Analysis of net assets between funds

Fund balances at 31 March are represented by:

	Permanent Endowments	Expendable Endowments	Unrestricted Funds	Restricted Funds	Total Funds 2021/22 £000	Total Funds 2020/21 £000
	£000	£000	£000	£000		
Intangible fixed assets	–	–	6,394	–	6,394	5,511
Tangible fixed assets	–	–	917,086	–	917,086	886,683
Heritage assets	–	–	76,836	–	76,836	75,858
Investments	3,838	14,342	5,916	988	25,084	25,034
Current assets	–	–	66,839	15,961	82,800	72,067
Current liabilities	(168)	(538)	(14,004)	(3,520)	(18,230)	(20,792)
Non-current liabilities	–	–	(214)	–	(214)	(306)
Total net assets	3,670	13,804	1,058,853	13,429	1,089,756	1,044,055

c) Fair value reserves

Funds include investments stated at fair value. The fair value reserves included within the funds stated above are:

	As at 1 April 2021	Unrealised Gains /Losses under Fair Value	As at 31 March 2022	Reserve / Fund net of Fair Value as at 31 March 2022	Reserve / Fund (including Fair Value) as at 31 March 2022
	£000	£000	£000	£000	£000
Eccles	2,060	81	2,140	9,069	11,210
Shaw Fund	826	41	867	5,264	6,131
Catalyst Endowment	332	20	352	2,342	2,694
Dingwall No 2	312	13	325	1,243	1,568
Ginsburg Legacy	110	5	115	590	705
Sir Henry Thomas	92	4	96	448	544
The Medd Fund	65	4	69	442	511
Anthony Panizzi Foundation	42	1	43	193	236
Coleridge	9	1	10	176	186
T S.Blakeney	31	–	31	155	186
Bridgewater	24	–	24	113	137
Sir Adrian Boulton	16	–	16	110	126
Others	59	3	62	274	336
Restricted Fair Value Reserve	3,978	173	4,151	20,419	24,570

The fair value represents the difference between historic cost and market valuation at the Balance Sheet date.

21. REVALUATION RESERVE MOVEMENT

	£000
At 1 April 2021	478,546
Arising in year	31,410
Realised	(7,969)
Backlog depreciation	–
Disposals	–
At 31 March 2022	501,987

22. CAPITAL COMMITMENTS

	2021/22 £000	2020/21 £000
Contracted and not provided for	6,819	1,666
Authorised but not contracted for	–	2,221

The contracted capital commitment figure relates to the development of software systems, works related to the renewal of the Boston Spa site, purchase of a heritage collection item, upgrade of the access control systems and other building works.

The authorised but not contracted commitment figure relates to works related to the renewal of the Boston Spa site.

23. RELATED PARTY TRANSACTIONS

The British Library is a Non-Departmental Public Body, sponsored by the Department for Digital, Culture, Media and Sport. The Department for Digital, Culture, Media and Sport is regarded as a related party. During the year the Library has had a number of material transactions with the Department and other entities for which the Department

is the sponsor, for example: Arts Council England, the BBC-PSG group, the British Film Institute, the British Museum, the National Lottery Heritage Fund, the Natural History Museum, the Science Museums Group, and Tate Britain.

During the year a number of Board members contributed to the Library's Membership Scheme.

The Library sets aside office space and equipment for the British Library Collections Trust to undertake some of their duties.

The Library also entered into material related party transactions with other related parties during the year, as set out below:

For the year ended
31 March 2022

As at
31 March 2022

Related Party	Relationship	Nature of Transaction	Income £000	Expenditure	Debtor balance £000	Creditor balance £000
American Trust for the British Library	Mr Roly Keating, Chief Executive of the British Library is a trustee of the related party	Donations	212	136	–	–
British Library Collections Trust	Dr Jeremy Silver, a member of the British Library Board, is a trustee of the related party	Funding contribution	–	20	–	–
Clore Leadership Foundation	Mr Roly Keating, Chief Executive of the British Library is a trustee of the related party	Training	–	5	–	–
Conference of European National Libraries	Mr Roly Keating, Chief Executive of the British Library is the Chair of the related party	Cost recharges, Membership	62	4	–	–
David Higham Associates	Dr Simon Thurley, a member of the British Library Board, is an author with contracts signed through the related party	Royalty payments	–	16	–	–
Friends of the National Libraries	Mr Roly Keating, Chief Executive of the British Library is a trustee of the related party	Donations	–	1,200	–	–
House of Commons	Dr Simon Thurley, a member of the British Library Board, is Chair of the House of Commons Conservation Panel	Document Supply transactions	2	–	1	–
House of Lords	Lord Janvrin, Deputy Chair of the British Library Board, is a member of the related party	Document Supply transactions	1	–	–	–
Institute of Historical Research London	Dr Simon Thurley, a member of the British Library Board, is a Senior Research Fellow of the related party	Document Supply transactions	2	–	–	–
Medical Research Council	Dr Venkatraman Ramakrishnan, a member of the British Library Board, is a group leader of the related party	Document Supply transactions	1	–	–	–
National Lottery Heritage Fund	Dr Simon Thurley, a member of the British Library Board, is the Chair of the related party	Grant income	2,023	–	–	–
National Portrait Gallery	Lord Janvrin, a member of the British Library Board, is a Trustee of the related party.	Royalties	–	1	–	–
Royal College of Art	Mr Patrick Plant, committee member with relevant professional expertise, is a council member of the related party	Curatorial services	1	–	–	–
Scottish Police Authority	Ms Lynn Brown, was committee member with relevant professional expertise, is Interim Chief Executive of the related party	Document Supply transactions	1	–	–	–
Society of Authors	Ms Tracy Chevalier, a member of the British Library Board, is member of the Advisory Council of the related party	Royalty payments	13	5	–	–
Society of College, National and University Libraries	Ms Liz Jolly, Chief Librarian of the British Library, is a Trustee and Board member of the related party	Membership	–	9	–	–
Stirling University	Dr Robert Black, a member of the British Library Board, is a member of Court of the related party	Document Supply transactions	13	–	1	–
University of Cambridge	Dr Venkatraman Ramakrishnan, a member of the British Library Board, is emeritus fellow of the related party	Document Supply transactions	136	10	1	–
University of Huddersfield	Mr Delroy Beverley, a member of the British Library Board, is Council member of the related party	Document Supply transactions	5	–	–	–
University of Manchester	Mr Patrick Plant, committee member with relevant professional expertise, is an honorary lecturer at the related party	Document Supply transactions, grant	21	–	51	–
University of Oxford	Lord Janvrin, a member of the British Library Board, is an honorary fellow at the related party.	Document Supply Transactions	156	25	2	–
University of Portsmouth	Ms Liz Jolly, Chief Librarian of the British Library, is a Governor and Board member of the related party	Document Supply Transactions	4	–	–	–
University of St Andrews	Ms Lynn Brown, was committee member with relevant professional expertise, is a non-executive member of the Audit and Risk Committee at the related party	Document Supply transactions	4	–	–	–
York Teaching Hospital	Mr Delroy Beverley, a member of the British Library Board, is Managing Director of the related party	Document Supply transactions	1	–	–	–

24. FINANCIAL INSTRUMENTS

FRS102 'Financial Instruments: Disclosures' requires entities to provide disclosures which allow users of the accounts to evaluate the significance of financial instruments for the entity's financial position and performance and the nature and extent of risks arising from financial instruments during the period.

Financial assets and liabilities at 31 March 2022 are set out by category below:

Financial Assets	At Amortised Cost	At Fair Value through profit or loss	Total
	£000	£000	£000
Investments	–	25,084	25,084
Trade and Other Debtors	1,257	–	1,257
Short Term Deposits	10,000	–	10,000
Cash at Bank and in Hand	53,703	–	53,703
	64,960	25,084	90,044

Financial Liabilities	At Amortised Cost	At Fair Value through profit or loss	Total
	£000	£000	£000
Trade and Other Creditors	5,149	–	5,149
Monies Held on Deposit	2,129	–	2,129
	7,278	–	7,278

Information on the Library's approach to financial risk management is disclosed in the "Reserves" and "Investments and Financial Risks" sections of the Financial Review and in the Governance Statement.

Credit risk

The Library is exposed to credit risk of £1.3m from trade and other debtors. This risk is not considered significant because most major customers are familiar to the Library. The Library has recovered over 99% of trade debtors over the last two years. Bad and doubtful debts are provided for on an individual basis. Write-offs in the year for bad debts amounted to less than £1k (less than £1k in 2020/21).

Term deposits and cash holdings are placed with approved UK banks with at least A-1, P-1 or F-1 rating. Holdings are spread across several institutions. The Library has not suffered any loss in relation to cash held by banks.

Liquidity risk

Approximately 78% (2020/21: 86%) of the Library's income is provided by Grant in Aid from the Department for Digital, Culture, Media and Sport which is drawn down according to need. The remaining income is self-generated and is volatile. Remote Document Supply is still the major source of self-generated income. As the majority of the Library's cash requirements are met through Grant in Aid, financial instruments have less potential for creating risk than would be the case for a non-public-sector body of similar size.

The Library holds highly liquid assets amounting to £64m at 31 March 2022 (2020/21: £58m) which are comprised of cash at bank and in hand and short term deposits. The Library regularly monitors the deposit portfolio to manage exposure to liquidity risk.

Market Risk – interest rate risk

Risks relating to interest rates are managed by budgeting conservatively for investment income. The table below shows the interest rate profile of the Library's financial assets.

	Floating Rate £000	Fixed rate £000	Non-interest £000	2021/22 Total £000	2020/21 Total £000
Sterling	52,959	10,000	633	63,592	58,251
US Dollar	–	–	106	106	142
Euro	–	–	5	5	10
Total	52,959	10,000	744	63,703	58,403

The benchmark for the Library's floating rate investments is 0.6%, 15 basis points below the Bank of England base rate.

The weighted average interest rate on fixed rate financial assets was 0.72% and the weighted average period of deposit was 299 days.

Investment income for the year was 0.001% (2020/21: 0.002%) of the Library's income.

Market Risk – foreign currency risk

The Library has an international customer and supplier base and so is subject to a degree of foreign currency risk. As part of the Library's treasury management strategy, the risk of fluctuations is managed through a variety of policies, including holding bank accounts in foreign currencies, to enable us to match our foreign currency purchases and sales as a means of mitigating our currency risk.

The amount considered to be exposed to currency risk as 31 March was:

	Debtors £000	Cash at bank and in hand £000	Short term deposits £000	Creditors £000	2021/22 Total £000	2020/21 Total £000
US dollar	269	106	–	(439)	(64)	(442)
Euro	36	5	–	(367)	(326)	(365)
Yen	–	–	–	(1)	(1)	(21)
New Zealand Dollars	–	–	–	(3)	(3)	(11)
Canadian dollar	–	–	–	–	–	(1)
Norwegian Krone	–	–	–	(2)	(2)	–

In 2021/22, net foreign currency exchange losses of £47k were recognised (£33k gains in 2020/21).

Market Risk – other price risk

The Library is subject to risks associated with market fluctuations on its investments.

The Library's investments are held in two Diversified Growth Bonds having different but complementary market outlooks to manage this risk. Further details of the investment policy and risk management are disclosed in the "investment and financial risks" section of the Financial Review on page 49.

An unrealised gain of £50k has been recorded this year (2020/21: £4,413k gain). For non-investment transactions, exposure to wider market price risks is reduced by competitive tendering and securing multi-year fixed price contracts where possible.

Additional information on the Library's investment policy is given in the Financial Review.

25. CONTINGENT LIABILITIES

British Library Newspaper Digitisation Project

The British Library has undertaken the digitisation of millions of pages from the archive using a commercial partner to take on the costs of digitisation in return for being able to exploit the digitisations commercially.

The supplier has warranted in its contract with the Library that use of the digitisations will not infringe copyright, or give rise to any possible action for defamation and has undertaken to cover any liability falling on the Library as a result of any such claims (in addition to the cost of defending the action) up to £5m.

DCMS has agreed to underwrite any liability which arises beyond that, for the duration that such claims might arise. It is considered that a claim in excess of £5m would be extremely unlikely but in the event that the liability is called, provision for any payment will be sought through the normal Supply procedure.

Legal Dispute

The British Library is aware of a personal injury claim which is currently being investigated. It is not yet possible to say with certainty what any liability and legal fees may be so no provision has been made in the accounts.

A claim for copyright infringement has been received in respect of a book held within our collection under legal deposit. It is not yet possible to say with certainty what any liability and legal fees may be so no provision has been made in the accounts.

A cultural restitution claim has been made for surrender of a collection item. It is not yet possible to say with certainty what any liability and legal fees may be, so no provision has been made in the accounts.

Whilst the costs of these disputes cannot be determined with sufficient certainty to make a provision, it is considered unlikely that the worst case outcomes would result in material costs to the Library.

26. POST BALANCE SHEET EVENTS

There were no reportable events between 31 March 2022 and the date the accounts were authorised for issue.

The accounts were authorised for issue by the Accounting Officer and Board of Trustees on the date the C&AG certified the accounts.

The British Library extends thanks to everyone who has contributed to the development of the Annual Report and Accounts 2021/22.

Produced in-house. © British Library Board 2022.

British Library

96 Euston Road
London
NW1 2DB

British Library

Boston Spa
Wetherby
West Yorkshire
LS23 7BQ

Public Lending Right

Boston Spa
Wetherby
West Yorkshire
LS23 7BQ

T +44 (0)330 333 1144

 @britishlibrary

bl.uk



Cover image: *Elizabeth & Mary: Royal Cousins, Rival Queens*.
Photo by Justine Trickett; Back cover image: Paul at home
with his original 'Magic Piano' © Mary McCartney.

bl.uk

ISBN 978-1-5286-3392-5
E02753956

**LIBRARY
HSILIRB**