

NATIONAL LIBRARY OF AUSTRALIA

Entity Additional Estimates Statements

NATIONAL LIBRARY OF AUSTRALIA

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NATIONAL LIBRARY OF AUSTRALIA

Section 1: Entity overview and resources

1.1 STRATEGIC DIRECTION STATEMENT

The National Library of Australia's (NLA) objective is to ensure that all Australians can access, enjoy and learn from a national collection that documents Australian life and society. The NLA is committed to providing open access to the national collection and its online services. Australians – whoever they are and wherever they live – should be able to easily discover and obtain the information they are seeking and to engage with rich digital content to support their lifelong learning.

The NLA actively supports creative and intellectual endeavour and the dissemination of knowledge, ideas and information. The NLA has a strong national focus in its outlook, services, products and activities and takes a leadership role in sharing expertise and coordinating key projects across the research, collecting and cultural sectors.

The NLA is to receive \$16.4 million over four years from the Public Service Modernisation Fund – Agency Sustainability Stream to support innovation, productivity improvements and efficiency. This funding will be used for the digitisation of library collection material and the upgrade of critical infrastructure.

1.2 ENTITY RESOURCE STATEMENT

The Entity Resource Statement details the resourcing for the NLA at Additional Estimates. Table 1.1 outlines the total resourcing available from all sources for the 2016-17 Budget year, including variations through Appropriation Bill No. 3.

Table 1.1: NLA resource statement — Additional Estimates for 2016-17 as at Additional Estimates February 2017

	<i>Actual available appropriation 2015-16</i>	Estimate as at Budget 2016-17	Proposed Additional Estimates 2016-17	Total estimate at Additional Estimates 2016-17
	\$'000	\$'000	\$'000	\$'000
Opening balance/Reserves at bank	52,453	45,830	-	45,830
REVENUE FROM GOVERNMENT				
Ordinary annual services^(a)				
Outcome 1	48,740	48,108	1,970	50,078
Total ordinary annual services	48,740	48,108	1,970	50,078
Other services^(b)				
Non-operating	9,679	9,655	-	9,655
Total other services	9,679	9,655	-	9,655
Total annual appropriations	58,419	57,763	1,970	59,733
Payments from related entities^(c)				
Amounts from the portfolio department	655	490	-	490
Amounts from other entities	260	60	-	60
Total	915	550	-	550
Total funds from Government	59,334	58,313	1,970	60,283
FUNDS FROM OTHER SOURCES				
Interest	1,685	1,145	-	1,145
Sale of goods and services	10,090	8,913	-	8,913
Other	1,128	1,158	-	1,158
Total funds from other sources	12,903	11,216	-	11,216
Total net resourcing for NLA	124,690	115,359	1,970	117,329
			2015-16	2016-17
Average staffing level (number)			414	393

All figures are GST exclusive.

The NLA is not directly appropriated as it is a Corporate Commonwealth Entity. Appropriations are made to the Department of Communications and the Arts (a Non-Corporate Commonwealth Entity), which are then paid to the NLA and are considered 'departmental' for all purposes.

(a) Appropriation Act (No. 1) 2016-17 and Appropriation Bill (No. 3) 2016-17.

(b) Appropriation Act (No. 2) 2016-17 and Appropriation Bill (No. 4) 2016-17.

(c) Funding provided by a Government body that is not specified within the annual appropriation bills as a payment to the Corporate Commonwealth Entity.

1.3 ENTITY MEASURES

Table 1.2 summarises new Government measures taken since the 2016-17 Budget. The table is split into revenue, expense and capital measures, with the affected program identified.

Table 1.2: NLA 2016-17 measures since Budget

	Program	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
Expense measures					
Public Service Modernisation Fund	1.1				
— National Library of Australia and Australian War Memorial ^(a)					
Departmental expenses		-	-	-	-
Total		-	-	-	-

Prepared on a Government Financial Statistics (fiscal) basis.

(a) The NLA will receive funding of \$1.885 million in 2016-17, \$4.441 million in 2017-18, \$4.927 million in 2018-19 and \$5.167 million in 2019-20. Provision for the Public Service Modernisation Fund were included in the Budget estimates as part of the 2016-17 Budget measure: Public Service Transformation and the Efficiency Dividend.

1.4 ADDITIONAL ESTIMATES AND VARIATIONS

The following tables detail the changes to the resourcing for the NLA at Additional Estimates, by outcome. Table 1.3 details the Additional Estimates resulting from new measures and other variations since the 2016-17 Budget in Appropriation Bill No. 3.

Table 1.3: Additional estimates and other variations to outcomes since 2016-17 Budget

	Program impacted	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
Outcome 1					
Departmental					
Annual appropriations					
Public Service Modernisation Fund – National Library of Australia and Australian War Memorial	1.1	1,885	4,441	4,927	5,167
Smaller Government - collection Agencies – consolidation of back office functions ^(a)		85	-	-	-
Changes in Parameters		-	(186)	(221)	(293)
Changes in Efficiency Dividend ^(b)		-	(731)	(1,215)	(1,458)
Net impact on appropriations for Outcome 1 (departmental)		1,970	3,524	3,491	3,416

(a) This is part of the "Smaller Government - collection agencies - consolidation back office functions" measure published in the 2014-15 Budget.

(b) This adjustment relates to increases to the Efficiency Dividend announced in the 2016-17 Budget under the measure "Public Sector Transformation and the Efficiency Dividend".

1.5 BREAKDOWN OF ADDITIONAL ESTIMATES BY APPROPRIATION BILL

The following tables detail the Additional Estimates sought for the NLA through Appropriation Bill No. 3.

Table 1.4: Appropriation Bill (No. 3) 2016-17

	2015-16 Available \$'000	2016-17 Budget \$'000	2016-17 Revised \$'000	Additional Estimates \$'000	Reduced Estimates \$'000
Departmental programs					
Outcome 1					
Enhanced learning, knowledge creation, enjoyment and understanding of Australian life and society by providing access to a national collection of library material.	48,740	48,108	50,078	1,970	-
Total departmental	48,740	48,108	50,078	1,970	-

Note: 2015-16 available appropriation is included to allow a comparison of this year's appropriation with what was made available for use in the previous year.

Section 2: Revisions to outcomes and planned performance

2.1 CHANGES TO OUTCOME AND PROGRAM STRUCTURES

There have been no revisions to the outcome and program structure of the NLA as a result of the Additional Estimates.

2.2 BUDGETED EXPENSES AND PERFORMANCE FOR OUTCOME 1

Outcome 1: Enhanced learning, knowledge creation, enjoyment and understanding of Australian life and society by providing access to a national collection of library material.

Budgeted expenses for Outcome 1

This table shows how much the NLA intends to spend (on an accrual basis) on achieving the outcome, broken down by program.

Table 2.2.1 Budgeted expenses for Outcome 1

	2015-16 Actual \$'000	2016-17 Revised Budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
Program 1.1: National Library of Australia					
Revenue from Government					
Ordinary annual services (Appropriation Act No. 1)	48,740	50,078	51,797	51,891	51,979
Payment from related entities	915	550	550	550	550
Expenses not requiring appropriation in the budget year ^(a)	12,005	12,175	12,275	12,375	12,475
Revenues from other independent sources	13,437	11,955	11,123	11,277	9,265
Total expenses for Program 1.1	75,097	74,758	75,745	76,093	74,269
	2015-16	2016-17			
Average staffing level (number)	414	393			

(a) Expenses not requiring appropriation in the Budget year are made up of depreciation and amortisation expenses for heritage and cultural assets.

Table 2.2.2: Performance criteria for Outcome 1

Table 2.2.2 details the performance criteria for each program associated with Outcome 1. It is used by entities to describe the results they plan to achieve with the resources provided for new programs, or materially changed existing programs resulting from decisions made since the 2016-17 Budget.

Outcome 1 – Enhanced learning, knowledge creation, enjoyment and understanding of Australian life and society by providing access to a national collection of library material.		
Program 1.1 – The NLA aspirations for 2016-20 are grouped under three overarching strategic priorities. <ul style="list-style-type: none"> • Build the nation's memory. • Make access happen. • Lead, partner, connect and excel. 		
Delivery	<ul style="list-style-type: none"> • The NLA will implement strategies to ensure the collection and preservation of Australian publications and unpublished collections – in print and digital forms – so that they can be enjoyed by current and future generations. • The NLA will provide access to the national collection through vibrant onsite and online programs and services. • The NLA will create value for library services and patrons across all jurisdictions, regions and sectors by managing research infrastructure that underpins access to the nation's library collections. • The NLA will engage with international leaders to advance common aims and share the library's experience as a leader in many digital library spheres. • The NLA will work to improve environmental performance associated with storing, maintaining and providing access to the national collection. 	
Performance information		
Year	Performance criteria ^(a)	Targets
2016-17	<p>Engage, educate and inspire – increase engagement with national and international visitors through innovative exhibitions and programs that are accessed in a variety of ways.</p> <p>Collect, share and digitise – build and maintain a rich national collection for current and future generations of Australians to enjoy and learn from.</p>	<p>904,000 visits to the organisation. 27 million visits to the NLA website. 90 per cent of visitors who were satisfied or very satisfied with their visit. 400 people participating in public programs. 50,640 students participating in school programs. 173 educational institutions participating in organised school learning programs. 90,000 acquisitions (made in the reporting period). 43,000 objects accessioned (in the reporting period). 93 per cent of the total collection available to the public. <i>3.8 per cent of the total collection digitised.</i> 85 per cent of all Australian published materials collected, including digital. 26,800 Australian published materials collected, including digital.</p>

National Library of Australia Additional Estimates Statements

Performance information		
Year	Performance criteria ^(a)	Targets
2017-18 and beyond	<p>Engage, educate and inspire – increase engagement with national and international visitors through innovative exhibitions and programs that are accessed in a variety of ways.</p> <p>Collect, share and digitise – build and maintain a rich national collection for current and future generations of Australians to enjoy and learn from.</p>	<p>854,000 visits to the organisation. 27 million visits to the NLA website. 90 per cent of visitors who were satisfied or very satisfied with their visit. 390 people participating in public programs. 53,640 students participating in school programs. 173 educational institutions participating in organised school learning programs. 90,000 acquisitions (made in the reporting period). 43,000 objects accessioned (in the reporting period). 93 per cent of the total collection available to the public. <i>4.0 per cent of the total collection digitised.</i></p>
Purposes	The NLA enables and is a participant in the creation of knowledge. It develops, curates and preserves an astounding and diverse collection that inspires, delights and educates Australians. The library's collections and services extend understanding of issues of contemporary significance, build strong community connections and underpin its leadership activities.	
<p>Material changes to Program 1.1 resulting from the following measures: Public Service Modernisation Fund - Agency Sustainability Stream to support innovation, productivity improvements and efficiency.</p>		

(a) New or modified performance criteria that reflect new or materially changed programs are shown in *italics*.

Section 3: Special account flows and budgeted financial statements

3.1 SPECIAL ACCOUNT FLOWS

The NLA does not manage any special accounts.

3.2 BUDGETED FINANCIAL STATEMENTS

3.2.1 Analysis of budgeted financial statements

Total budgeted income for 2016-17 is estimated to be \$63.724 million, of which \$50.078 million is appropriation for operating expenses. Changes since the 2016-17 Budget total \$1.970 million (refer Table 1.3). Of this funding \$1.885 million has been provided for digitisation of collection material and the upgrade of critical infrastructure and \$0.085 million to cover one off costs associated with the 2014-15 Budget measure *Smaller Government – collection agencies – consolidation of back office functions*.

3.2.2 Budgeted financial statements

Table 3.2: Comprehensive income statement (showing net cost of services) for the period ended 30 June

	2015-16 Actual \$'000	2016-17 Revised Budget \$'000	2016-17 Forward estimate \$'000	2016-17 Forward estimate \$'000	2016-17 Forward estimate \$'000
EXPENSES					
Employee benefits	37,824	35,980	34,963	34,194	33,837
Suppliers	16,990	17,742	19,698	20,735	19,178
Grants	767	763	731	731	731
Depreciation and amortisation	19,268	20,113	20,213	20,313	20,413
Write-down and impairment of assets	203	160	140	120	110
Other expenses	45	-	-	-	-
Total expenses	75,097	74,758	75,745	76,093	74,269
LESS:					
OWN-SOURCE INCOME					
Own-source revenue					
Sale of goods and rendering of services	10,946	8,913	9,036	7,540	7,390
Interest	1,468	1,145	1,045	1,015	1,000
Royalties	139	96	65	60	60
Other	4,758	3,492	3,317	4,188	3,172
Total own-source revenue	17,311	13,646	13,463	12,803	11,622
Gains					
Sale of assets	3	-	-	-	-
Total gains	3	-	-	-	-
Total own-source income	17,314	13,646	13,463	12,803	11,622
Net cost of/contribution by services	57,783	61,112	62,282	63,290	62,647
Revenue from Government	48,740	50,078	51,797	51,891	51,979
Surplus/(Deficit) attributable to the Australian Government	(9,043)	(11,034)	(10,485)	(11,399)	(10,668)
OTHER COMPREHENSIVE INCOME					
Changes in asset revaluation surplus	6,020	-	-	-	-
Total other comprehensive income	6,020	-	-	-	-
Total comprehensive income/(loss) attributable to the Australian Government	(3,023)	(11,034)	(10,485)	(11,399)	(10,668)

Note: Impact of Net Cash Appropriation Arrangements

	2015-16 \$'000	2016-17 \$'000	2017-18 \$'000	2018-19 \$'000	2019-20 \$'000
Total comprehensive income/(loss) excluding depreciation/amortisation expenses previously funded through revenue appropriations	8,106	181	830	16	847
less heritage and cultural depreciation expenses previously funded through revenue appropriations ^(a)	11,129	11,215	11,315	11,415	11,515
Total comprehensive income/(loss) as per the Statement of Comprehensive Income	(3,023)	(11,034)	(10,485)	(11,399)	(10,668)

(a) From 2009-10, the Government replaced Appropriation Act No. 1 and Bill No. 3 revenue appropriations for the heritage and cultural depreciation expenses of Designated Collection Institutions, with a separate capital budget (the Collection Development Acquisition Budget, or CDAB) provided through Appropriation Act No. 2 and Bill No. 4 equity appropriations. For information regarding CDABs, refer to Table 3.6 Departmental Capital Budget Statement.

Prepared on Australian Accounting Standards basis.

Table 3.3: Budgeted departmental balance sheet (as at 30 June)

	2015-16 Actual \$'000	2016-17 Revised Budget \$'000	2017-18 Forward estimate \$'000	2018-19 Forward estimate \$'000	2019-20 Forward estimate \$'000
ASSETS					
Financial assets					
Cash and cash equivalents	4,230	3,515	1,886	2,951	3,002
Trade and other receivables	1,996	1,996	1,996	1,996	1,996
Other investments	41,600	38,600	36,600	36,600	36,600
Other financial assets	827	827	827	827	827
Total financial assets	48,653	44,938	41,309	42,374	42,425
Non-financial assets					
Land and buildings	236,947	237,503	237,260	236,987	236,584
Property, plant and equipment	1,351,043	1,346,480	1,345,090	1,338,389	1,333,977
Intangibles	57,507	63,980	68,280	72,289	76,117
Inventories	1,044	1,044	1,044	1,044	1,044
Other non-financial assets	1,882	1,882	1,882	1,882	1,882
Total non-financial assets	1,648,423	1,650,889	1,653,556	1,650,591	1,649,604
Total assets	1,697,076	1,695,827	1,694,865	1,692,965	1,692,029
LIABILITIES					
Payables					
Suppliers	3,056	3,056	3,056	3,056	3,056
Grants	60	60	60	60	60
Other payables	277	277	277	277	277
Total payables	3,393	3,393	3,393	3,393	3,393
Provisions					
Employee provisions	12,898	13,028	12,997	12,991	13,221
Other provisions	74	74	74	74	74
Total provisions	12,972	13,102	13,071	13,065	13,295
Total liabilities	16,365	16,495	16,464	16,458	16,688
Net assets	1,680,711	1,679,332	1,678,401	1,676,507	1,675,341
EQUITY					
Parent entity interest					
Contributed equity	89,434	99,089	108,643	118,148	127,650
Reserves	217,149	217,149	217,149	217,149	217,149
Retained surplus/(accumulated deficit)	1,374,128	1,363,094	1,352,609	1,341,210	1,330,542
Total parent entity interest	1,680,711	1,679,332	1,678,401	1,676,507	1,675,341
Total Equity	1,680,711	1,679,332	1,678,401	1,676,507	1,675,341

Prepared on Australian Accounting Standards basis.

Table 3.4: Departmental statement of changes in equity — summary of movement (Budget Year 2016-17)

	Retained earnings	Asset revaluation reserve	Contributed equity capital	Total equity
	\$'000	\$'000	\$'000	\$'000
Opening balance as at 1 July 2016				
Balance carried forward from period previous	1,374,128	217,149	89,434	1,680,711
Adjusted opening balance	1,374,128	217,149	89,434	1,680,711
Comprehensive income				
Other comprehensive income				
Surplus/(deficit) for the period	(11,034)	-	-	(11,034)
Total comprehensive income	(11,034)	-	-	(11,034)
Transactions with owners				
Contributions by owners				
Equity Injection	-	-	9,655	9,655
Sub-total transactions with owners	-	-	9,655	9,655
Estimated closing balance as at 30 June 2017	1,363,094	217,149	99,089	1,679,332
Closing balance attributable to the Australian Government	1,363,094	217,149	99,089	1,679,332

Prepared on Australian Accounting Standards basis

Table 3.5: Budgeted departmental statement of cash flows (for the period ended 30 June)

	2015-16 Actual \$'000	2016-17 Revised Budget \$'000	2016-17 Forward estimate \$'000	2016-17 Forward estimate \$'000	2016-17 Forward estimate \$'000
OPERATING ACTIVITIES					
Cash received					
Appropriations	48,740	50,078	51,797	51,891	51,979
Sale of goods and rendering of services	11,390	9,871	10,010	8,358	8,193
Interest	1,685	1,145	1,045	1,015	1,000
Net GST received	1,700	1,740	1,891	1,731	1,782
Other	2,240	1,648	1,592	2,458	1,442
Total cash received	65,755	64,482	66,335	65,453	64,396
Cash used					
Employees	38,413	35,850	34,994	34,200	33,607
Suppliers	19,980	19,640	21,743	22,444	20,913
Other	717	763	731	731	731
Total cash used	59,110	56,253	57,468	57,375	55,251
Net cash from/(used by) operating activities	6,645	8,229	8,867	8,078	9,145
INVESTING ACTIVITIES					
Cash received					
Proceeds from sales of property, plant and equipment	34	-	-	-	-
Investments	31,847	3,000	2,000	-	-
Total cash received	31,881	3,000	2,000	-	-
Cash used					
Purchase of property, plant, equipment and intangibles	22,982	21,599	22,050	16,518	18,596
Investments	25,962	-	-	-	-
Total cash used	48,944	21,599	22,050	16,518	18,596
Net cash from/(used by) investing activities	(17,063)	(18,599)	(20,050)	(16,518)	(18,596)
FINANCING ACTIVITIES					
Cash received					
Contributed equity	9,679	9,655	9,554	9,505	9,502
Total cash received	9,679	9,655	9,554	9,505	9,502
Net cash used by financing activities	9,679	9,655	9,554	9,505	9,502
Net increase/(decrease) in cash held	(739)	(715)	(1,629)	1,065	51
Cash and cash equivalents at the beginning of the reporting period	4,969	4,230	3,515	1,886	2,951
Cash and cash equivalents at the end of the reporting period	4,230	3,515	1,886	2,951	3,002

Prepared on Australian Accounting Standards basis.

Table 3.6: Departmental capital budget statement (for the period ended 30 June)

	2015-16 Actual \$'000	2016-17 Revised Budget \$'000	2016-17 Forward estimate \$'000	2016-17 Forward estimate \$'000	2016-17 Forward estimate \$'000
NEW CAPITAL APPROPRIATIONS					
Equity injections - Act No. 2	9,679	9,655	9,554	9,505	9,502
Total new capital appropriations	9,679	9,655	9,554	9,505	9,502
Provided for:					
Purchase of non-financial assets	9,679	9,655	9,554	9,505	9,502
Total Items	9,679	9,655	9,554	9,505	9,502
PURCHASE OF NON-FINANCIAL ASSETS					
Funded by capital appropriations ^(a)	9,679	9,655	9,554	9,505	9,502
Funded internally from departmental resources ^(b)	15,191	12,924	13,326	7,843	9,924
TOTAL AMOUNT SPENT	24,870	22,579	22,880	17,348	19,426
RECONCILIATION OF CASH USED TO ACQUIRE ASSETS TO ASSET MOVEMENT TABLE					
Total purchases	24,870	22,579	22,880	17,348	19,426
less gifted assets	(1,888)	(980)	(830)	(830)	(830)
TOTAL CASH REQUIRED TO ACQUIRE ASSETS	22,982	21,599	22,050	16,518	18,596

(a) Includes both current and prior Bill No. 4 and prior Act Nos. 2 and 4 appropriations and special capital appropriations.

(b) Includes the following sources of funding: current Bill No. 3 and prior year Act No. 1 and 3 appropriations (excluding amounts from the DCB) and may include donations and contributions, internally developed assets, s74 Retained Revenue Receipts and proceeds from the sale of assets.

Prepared on Australian Accounting Standards basis.

Table 3.7: Statement of asset movements (2016-17 Budget year)

	Land	Buildings	Other property, plant and equipment	Heritage and Cultural	Computer software and intangibles	Total
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
As at 1 July 2016						
Gross book value	15,350	221,601	22,744	1,335,756	70,291	1,665,742
Accumulated depreciation/amortisation and impairment	-	(4)	(7,421)	(36)	(12,784)	(20,245)
Opening net book balance	15,350	221,597	15,323	1,335,720	57,507	1,645,497
Capital asset additions						
Estimated expenditure on new or replacement assets						
By purchase - appropriation equity ^(a)	-	-	-	4,570	5,085	9,655
By purchase - appropriation ordinary annual services ^(b)	-	4,954	3,952	-	3,038	11,944
Assets received as gifts/donations	-	-	-	980	-	980
Total additions	-	4,954	3,952	5,550	8,123	22,579
Other movements						
Depreciation/amortisation expense	-	(4,398)	(2,850)	(11,215)	(1,650)	(20,113)
Total other movements	-	(4,398)	(2,850)	(11,215)	(1,650)	(20,113)
As at 30 June 2017						
Gross book value	15,350	226,555	26,696	1,341,306	78,414	1,688,321
Accumulated depreciation/amortisation and impairment	-	(4,402)	(10,271)	(11,251)	(14,434)	(40,358)
Closing net book balance	15,350	222,153	16,425	1,330,055	63,980	1,647,963

(a) "Appropriation equity" refers to equity injections or Administered Assets and Liabilities appropriations provided through Appropriation Act (No. 2) and Bill (No. 4) 2016-17, including CDABs.

(b) "Appropriation ordinary annual services" refers to funding provided through Appropriation Act (No. 1) 2016-17 and Bill (No. 3) 2016-17 for depreciation/amortisation expenses, DCBs or other operational expenses.

Prepared on Australian Accounting Standards basis.