



## The London Library Endowment Campaign

Endowment funds are invested to provide a useful and growing annual income for the Library while maintaining their long-term capital value in real terms, to reach a suitable balance between present and future needs. In the case of **permanent endowments** the capital itself cannot be spent under any circumstances. With **expendable endowments** the Trustees may use their discretion to spend the capital as if it were income, though this would only be done under an agreed policy framework. This provides crucial support for the Library when investment returns are low and there is an urgent need for expenditure.

**For example**, a £2m endowment could generate an annual income of 4% (£80,000), comprising 2% (£40,000) to be used annually by the Library, and the remaining 2% to be re-invested to maintain and grow the fund to meet future needs. At current average prices the income of £40,000 would fund the purchase of around 1,600 books.

### General and Specific Endowment Donations

Endowment donations are most useful to the Library when they support its general charitable purposes, and the Library is delighted to receive gifts of any size towards an expendable general endowment fund, to complement the Library's general reserves. By agreement the Library may also accept endowments for specific core activities such as Supported Memberships, Acquisitions, Conservation & Binding, where they could complement or extend existing funds.

**Named Expendable Endowments** can be created for gifts of **£100,000 and above**.

**Named Permanent Endowments** can be created for gifts of **£250,000 and above**.

All donors will be warmly acknowledged on the website and in the Annual Report.