

176th Annual General Meeting

**Minutes of the meeting held in the Reading Room at 6pm on
Wednesday 8 November 2017**

The Chairman, Sir Howard Davies, began by introducing the new Treasurer, Philip Broadley and the new Library Director, Philip Marshall.

The Chairman continued with a summary of the year and passed on the sad news that Lewis Golden, who had been the Library's Treasurer for 19 years, Chairman for 4 years and Vice President for the last 13 years, had recently passed away. He was also an incredibly generous donor to the Library, creating the Jacqueline Golden Endowment in 2012 in memory of his late wife. There will be memorial service in his home town of Petworth at which the Library would be represented.

Both the Librarian, Inez Lynn and the President, Sir Tom Stoppard, retired during the year. At 80 Sir Tom had decided to step down and a party in his honour was held June to thank him for all that he had done for the Library. The Tom Stoppard Innovation Fund appeal was going well and a number of resulting initiatives will be upcoming for the benefit of the Library and its members. Inez Lynn was stepping down after 15 years as Librarian and 29 years at the Library overall and the Chairman noted her immense contribution to the Library.

Library members had again been well represented among literary prize winners during the year, including Kazuo Ishiguro and Naomi Alderman, and the list of those nominated for prizes was too long to mention individually.

The Library had been developing its US fundraising during the year with a talk by Daisy Goodwin in New York and an evening jointly held with the Boston Athenaeum where readings were given of correspondence between the Library and the Athenaeum dating from 1913 to 1945.

The Chairman reported some key statistics on the Library's social media presence and noted that the Library's Twittersphere activity had significantly expanded and encouraged members to follow the Library on Twitter. He also noted that the Library had increased its number of Facebook followers.

With regards to the use that members made of the Library the Chairman reported that usage was up, but that loans were down, so members were coming to the Library more often, but taking out fewer books. The Library's preservation work placement scheme continued with four students from Camberwell College of Art taking part in the scheme during the year.

The Chairman passed over to the new Library Director, Philip Marshall, noting Philip's background in senior level positions at a number of high profile UK cultural organisations

including the British Museum, Sadler's Wells and the Royal Albert Hall and explaining that he had been appointed after a competitive recruitment process.

The Director began by expressing his delight at joining the Library and noted that, though he was not a librarian, he was a bibliophile and that he couldn't be happier at joining such a unique and remarkable place. In his six weeks at the Library it had become clear why it had been such an inspiration and support to members for over 175 years.

Despite the wonderful collection, staff and members the Library continued to have an operating deficit of approximately £1 million. He would be focussing on reducing this deficit and forming a new strategic plan by the end of April 2018. To reduce the deficit membership would be key and the aim would be to increase membership numbers back up to 8,500 and to help achieve this goal a new Membership Director, Felicity Nelson, had been recruited.

The Director passed the discussion over to the Treasurer, Philip Broadley. The Treasurer noted that he was reporting on the Library's finances at the end of his first year as Treasurer, having been a member of the Library for 14 years. He thanked Paul Hamlyn, who retired as Bursar earlier in the year, and Peter Hyde, the Finance Director for their work on managing the Library's finances.

The Treasurer referred to the summary of the Library's finances that had been provided to attendees and which had also been included in the finance article in the autumn magazine and in the financial review section of the annual report and accounts for 2016-17. He explained that this split the Library's finances into five items with the operating result, fundraising activity and investment income being cash items and the gain in the value of investments and the reduction in the liability of the pension deficit being changes in balance sheet provisions.

The 2016-17 operating result had given rise to an operating deficit of approximately £1.1m, which remained a significant concern to the Library. Fundraising had generated £1.4m against costs of £340k and investment income related to cash held of £1m and the Library's investment portfolio which aimed for a return of 3% whilst maintaining the long term capital.

It had been a good year for investments with a gain in value of £659k. For many years the Library had operated a defined benefit pension scheme, which was now closed. Accounting standards required that the current value of the liability in relation to this pension scheme needed to be included in the accounts and, largely due to the positive performance of the scheme's investments, the scheme's deficit had reduced in the year.

The Treasurer noted that the Library's balance sheet showed total net assets of £26.4m, the majority of which represented the Library building. In addition, the Library's collection was valued at £25m, but through a quirk of accounting this was not included on the balance sheet. The Library was therefore asset rich, but cash poor.

The Treasurer concluded by noting that the increase in membership and the reduction in the operating deficit would take time and that therefore resources were being prudently managed.

The Chairman invited questions from the audience.

The first question related to the £659k gain in the value of investments and whether it was a cash item. The Treasurer clarified that it was an unrealised gain and therefore not a cash item, but that accounting standards required its inclusion.

A member light-heartedly noted that he hadn't seen an increase in football books in spite of the Chairman's interest in Manchester City. The Chairman responded that it was a minority interest and that he hadn't yet made any requests for an increase to the football section of the collection.

A member queried why, in the light of an operating deficit, operating costs had increased by £105k and what additional services had been provided. The Treasurer responded that there had been an increase in acquisitions expenditure adding to the collection and that increase also included the costs of running the building and staff costs and, as is the case for many cultural organisations, these costs rose above published inflation levels. In addition, overall costs had increased due to additional spend on IT and the marketing and communications costs required to put on the Words in The Square event.

Referring to the new Library Director's title no longer being Librarian, a member commented that, though there was nothing wrong with the name Director, the title London Librarian held some importance and suggested that it should be retained, perhaps as 'London Librarian; Director of the London library'. The Chairman responded that the Trustees had thought hard about this issue when carrying out the recruitment and the collective view was that, given the Library's position, someone was needed who could lead the Library, deal with the financial issues and expand the profile of the Library. Though librarians were not excluded from consideration, and one strong candidate for the post was a librarian, a general arts background was considered more important.

Another member asked if it was clear that the title Director was compatible with references to Librarian in the byelaws. The Director answered that the role in the byelaws was described as 'Librarian and Chief Executive' and that this was covered by his role.

A member commented how useful the financial review in the annual report and accounts and the finance article in the autumn magazine were, but suggested that in future there should be a split between restricted and unrestricted funds. The Treasurer thanked him for his comments and accepted the point regarding the funds and would include a breakdown next year.

The same member made a second point regarding the drive to increase membership being a key priority. He felt that this may not be the way to success given the competition from other organisations and that better promoting and expanding the online offer to those outside London would be key. The Chairman agreed that the value of the Library's online resources was underappreciated and that this issue was being looked at, but he did not completely accept that competition was increasing, citing the closure of many public libraries.

There being no further questions, the Chairman moved to the formal business of the meeting.

By a show of hands the members approved the minutes of the 175th Annual General Meeting.

By a show of hands the members approved the adoption of the 2016-2017 Annual Report and Accounts.

By a show of hands the members approved the reappointment of MHA MacIntyre Hudson as the Library's auditors.

By a show of hands the members approved the reappointment of Anthony McGrath for his second consecutive term as a Trustee.

By a show of hands the members approved the reappointment of Sophie Murray for her second consecutive term as a Trustee.

By a show of hands the members confirmed the appointment of Alexandra Shulman OBE as Vice-President.

By a show of hands the members confirmed the appointment of Sir Tim Rice as President.

By a show of hands the members approved the 2018 fee proposals. With a full individual rate of £525 the new fees represented an increase of 2.9% on current levels, slightly below the latest published headline rate of inflation. The annual Direct Debit fee would be held at £510 with the aim of increasing retention.

The meeting closed at 6:45pm. Some 90 members had attended.