Opening Hours
Monday 9.30 am - 8.00 pm
Tuesday 9.30 am - 8.00 pm
Wednesday 9.30 am - 8.00 pm
Thursday 9.30 am - 5.30 pm
Friday 9.30 am - 5.30 pm
Saturday 9.30 am - 5.30 pm
Sunday CLOSED

Closed Dates
The Library will be closed on the following inclusive dates:

2017
Christmas
Saturday 23 December – Wednesday 27 December

2018
New Year’s Day
Monday 1 January

Easter
Friday 30 March – Monday 2 April

Early May Bank Holiday
Saturday 5 May – Monday 7 May

Spring Bank Holiday
Saturday 26 May – Monday 28 May

Summer Bank Holiday
Saturday 25 August – Monday 27 August

Charity Registration Number 312175
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**TRUSTEES**
(Note: numbers in brackets refer to membership of committees listed at the foot of this page)

**Chairman**
Sir Howard Davies (2,3,4)

**Treasurer**
Philip Broadley (2,4,5) (from 9 November 2016)
Mark Storey (5) (until 9 November 2016)

**OTHER TRUSTEES**
Sven Becker (3)
Will Harris (2,6)
Philip Hook (3,7)
Anthony McGrath (5,6)
Sophie Murray (1,6)
David Reade QC (6)
Rick Stroud (1,3,4)
Elizabeth Wilson (7) (until 9 November 2016)

**SENIOR STAFF** as at 19 July 2017

**Executive Team**

*Librarian (Chief Executive)*
Inez T P A Lynn BA (Hons) MLitt MCLIP

*Deputy Librarian*
Mary Gillies BA (Hons) MA PgDip

*Finance Director*
Peter Hyde MSci (Hons) ACA DChA

*Development Director*
Philip Spedding BComm

**Heads of Department**

*Archive, Heritage & Development Librarian*
Helen O’Neill BA (Hons) MSc MRes MCLIP

*Building & Facilities Manager*
Adam Dickins BSc (Hons) PgDip CBIFM

*Head of Acquisitions*
Gill Turner BA (Hons) MA MCLIP

*Head of Bibliographic Services*
Dunia García-Ontiveros BA (Hons) MA MCLIP

*Head of Collection Care*
Judith Finnamore BA (Hons) MA MCLIP

*Head of Communications*
Julian Lloyd BA (Hons) MSc

*Head of Development (Fundraising)*
Georgina Ralston BA (Hons)

*Head of IT*
Will David BA (Hons) MA MSc

*Head of Member Services*
Amanda Stebbings BA (Hons) MLib MCLIP

**ADVISERS**

**Bankers**
Barclays Bank plc
1 Churchill Place, London E14 5HP

**Solicitors**
Bates Wells & Braithwaite LLP
10 Queen Street Place, London EC4R 1BE

**Investment Managers**
Newton Investment Management
160 Queen Victoria Street, London EC4V 4LA

**Auditors**
MHA MacIntyre Hudson
New Bridge Street House, 30-34 Bridge Street, London EC4V 6BJ

**Pension consultants**
Broadstone Limited
55 Baker Street, Marylebone, London W1U 8EW

Key to Committees:
1. Buildings and Facilities Committee
2. Chairs Committee
3. Development Committee
4. Director Search Committee
5. Finance Committee
6. Membership Committee
7. Nominations Committee
The Trustees of The London Library present their report and the audited accounts of the charity for the year ended 31 March 2017. The Trustees have adopted the provisions of the Statement of Recommended Practice (SORP) “Accounting and Reporting by Charities” (FRS 102) in preparing the Annual Report and accounts of the charity.

The accounts have been prepared in accordance with the accounting policies set out in the notes to the accounts and comply with the charity’s governing document (Royal Charter), the Charities Act 2011 and Accounting and Reporting by Charities: SORP applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland, published on 16 July 2014.

INTRODUCTION

The London Library’s charitable object is the advancement of education, learning and knowledge by the provision and maintenance of a library in London. Founded in 1841 by Thomas Carlyle and others prominent in letters and affairs, the Library’s primary purpose is to provide generations of readers, writers and researchers with the riches of a national library for use in their own homes or workplaces or within its own premises. By acquiring the most important published works in the humanities and arts in each generation and discarding almost nothing from its shelves, the Library has built up a collection of over one million volumes dating from the 16th century to the latest publications. The Library aims to preserve and extend this extraordinary accumulation for future as well as present generations.

The Library seeks to provide the most direct and liberal access to the published written word by maintaining a high proportion of the collection on open-access shelves in its Grade II-listed building in central London where the volumes may be freely browsed by members, with most available for loan. Offering facilities conducive to reading and scholarship, the Library aims to provide a prompt, reliable and courteous service to meet and exceed the expectations of users, perpetuating a spirit of willing collaboration between users and its highly qualified and specialist staff.

PUBLIC BENEFIT

Membership is open to all. The Library aims to make its collections, services and facilities available to meet the needs of a broad spectrum of readers, many of whom have no access to other loan collections and online resources of comparable depth and reach, such as may be found in universities or specialist institutes. Its status in the national heritage is well recognised and over the years it has absorbed special collections from a number of other organisations which could no longer house them. Daily or weekly reference tickets can be issued to those who need access to materials not available elsewhere but do not wish to commit to full membership. Furthermore, items from the Library’s collection are made accessible to public library members via the Inter-Library Loan scheme.

Many Library members are writers, and by assisting authors in their researches prior to publication of original work the Library contributes to the cultural enrichment of the whole nation. In this respect it is comparable to other great institutions dedicated to the arts and culture which, if they ceased to exist, would be missed even by many people who make little or no direct use of them. Although not easy to measure, this is an important public benefit, as readers who have seen the tributes to the Library and its staff in the Acknowledgements pages of countless books will be aware. In an age when the written word is available in superabundant quantity, the Library helps to maintain the quality.

Fees are set in the context of the Library’s overall budget and are approved by the members at their Annual General Meeting. The ordinary annual fee for individuals is currently £510, or £42.50 per month, while corporate and charitable bodies pay relatively higher fees and nominate representatives who access the Library’s facilities on their behalf. For an institution which strives to be a centre of excellence in its field, the Library’s fees are not high in relation to the value of the services it provides and a range of payment options is available. Nevertheless there are people who need for their researches the range and depth of available material and the generous access that are the Library's hallmark but who are unable to afford the full fees, particularly as the financial rewards from writing are generally modest and often unreliable. In such cases our subsidiary charity, The London Library Trust, can assist with top-up grants under the Carlyle Membership scheme. Each grant application is assessed carefully since resources are necessarily limited, but the Library seeks to provide support where there is clear evidence of need. The majority of grants paid represent a fee subsidy of between 30% and 60%. During the financial year 63 new Carlyle memberships were awarded (2016: 51) bringing the total number of members in receipt of this fee subsidy at 31 March 2017 to 345 or 5.3% of the total membership (2016: 344 or 5.2% of the total membership). The total amount of such fee subsidies paid in the year was £76,004 (2016: £71,623), representing 3.0% of the Library’s total income from annual membership fees (2016: 2.9%).
Young Person’s membership is available to anyone under the age of 25 at half the ordinary annual rate, and there were 325 members in this category at 31 March 2017, or 4.9% of the total membership (2016: 331 or 5.0%). Separate charges are made for postal loans and for extra books above the standard allowance, but the annual fees due from each member are not dependent on either the nature or the amount of usage made of the Library’s facilities by that member, which can vary considerably. Whilst many of the Library’s members are active writers and researchers, there are many others whose usage is more occasional but who see the Library as a cause worth supporting precisely because of its wider public benefits.

In setting the Library’s objectives and planning its activities, the Trustees give careful consideration to the Charity Commission’s published guidance and other research on public benefit and its reporting.

**PERFORMANCE IN 2016-2017**

The Library’s current 5-year strategic plan, launched in autumn 2012, identifies specific objectives and the action planned to achieve them within a framework of five key strategic priorities:

1. Developing and preserving the collections
2. Extending access
3. Supporting research and reading
4. Fostering literary and intellectual community
5. Sharing our heritage

The Review of Operations in the following section illustrates how the Library’s core activities supported these strategic priorities. This year has seen a focus on developing a membership strategy that will ensure the long-term financial sustainability of the Library.

To supplement the Library’s own analysis an external review was commissioned to give an outside view of the membership challenges that the Library is facing. This review was undertaken by consultants on a pro-bono basis. The membership strategy will form a key part of the Library’s overall strategy which will be launched in 2018.

Tuesday 3 May 2016 saw the 175th anniversary of the Library’s founding in 1841 and full details of the celebrations were provided in last year’s annual report. Set out below are the key objectives and achievements of the year.

### 1: THE MEMBER EXPERIENCE

**Objective:** To gain a better understanding of all aspects of our members’ experience and seek to maintain or improve it.

**Achievement:** The Library carried out a Member survey in November 2016 and continued to run New Members’ surveys. The 175th anniversary celebrations and the *Words in The Square* event, though very successful in themselves, did not have the impact on membership numbers hoped for and only led to a modest influx of new members.

### 2: COMMUNICATIONS

**Objective:** To improve the Library’s communications and raise its public profile.

**Achievement:** The Library continued to promote itself through broadcast and print media. Highlights included the Librarian’s interviews on BBC Radio 4 (Open Book) and BBC Radio London, articles in the *Financial Times* and *Irish Times* (about the 175th anniversary), film location work with Newsnight, BBC 4 and Channel 4, and online articles on The Lit Hub and Londonist websites (the latter receiving over 20,000 page views).

The Library has made significant progress in increasing its profile on social media with the year seeing an increase of over 15% in its Twitter following. On Twitter the Library has generated over 500 organic (i.e. non-paid-for) stories which were seen 2.25 million times (2016: 512,000) and there were 47,000 further engagements with them (2016: 7,000). On Facebook the Library’s stories were seen 867,000 times (2016: 42,500) and there were 39,000 further engagements (2016: 6,000). In December 2016 the Library set up an Instagram account which has grown encouragingly. The Library ended the financial year with 16,200 followers on Twitter; 13,800 on Facebook and 800 on Instagram.

The Library’s popular public tours have enabled over 500 people to view the Library at first hand; over 42,000 people watched BBC Culture’s Facebook broadcast from our Open House tour.

### 3: MARKETING

**Objective:** To launch a new marketing campaign informed by fresh research.

**Achievement:** Building on the 2015-2016 legal professionals recruitment campaign, a new direct marketing campaign targeting 4,000 senior/partner level lawyers took place in March 2017. Marketing for the *Words in The Square* literary celebration enabled the Library to distribute more than 33,000 brochures containing information about the Library and to work with 208 partner organisations. As well as *Words in The Square* over 20 other smaller scale member events were held throughout the year.

### 4: FUNDRAISING

**Objective:** To strengthen core revenue income generation and develop major campaign and endowment donations to support the long term sustainability of the Library.
Achievement: The Library’s fundraising went well during the year. The Library continued to benefit from a number of individuals generously supporting its operations on an annual basis through the Library's Founders' Circle supporters’ programme, which grew over the year. During the year a further endowment donation of £477,050 (US$600,000) was received to supplement the Library's Literary Fund. The Library also carried out a successful appeal as part of its 175th anniversary celebrations, which received donations of almost £100,000. Additionally, the Library received a number of smaller donations to aid its work in specific areas. A list of all those who supported the Library during the year can be found on page 33.

To mark the retirement of Tom Stoppard as the Library’s President in July 2017, the Tom Stoppard Innovation Fund was launched towards the end of 2016-17. Sir Tom’s time as President was marked by a considerable amount of innovation at the Library, not least of which was the completion of the first half of the Library’s capital project. The Tom Stoppard Innovation Fund will provide resources to ensure that new ideas continue to be developed at the Library.

REVIEWS OF OPERATIONS DURING THE YEAR

COLLECTIONS

- We continued to develop the skills of our preservation staff and volunteers and to train all new staff in appropriate book-handling techniques.

SERVICES

- 69,559 books were loaned during the year (2016: 71,437) including 4,720 (2016: 4,685) sent through the postal loans service and 95 (2016: 78) borrowed through the inter-library loan system on behalf of members. Some 68,698 (2016: 67,732) renewals were made either by members themselves online or by staff on members’ behalf using a variety of methods. Heavy use is also made of books and periodicals within the Library, and 423 rare books and pamphlets not in general circulation were requested and made available for supervised consultation during the year (2016: 744).
- We placed and processed 35,784 requests to retrieve and set aside material in the course of dealing with a wide range of enquiries from members (2016: 34,647).
- We sent 202 books to public libraries on request for the use of their own members (2016: 345).
- We made a total of 1,409 inter-library loans to other institutions (2016: 1,355), mainly university libraries and public libraries, other than our own institutional members.
- We added 7,431 volumes to the current catalogue in respect of books purchased or donated (2016: 7,961) and all volumes were catalogued within 2 days of receipt. Despite reduced staff levels we also added 5,945 titles (comprising 8,553 volumes) from the old printed catalogue to the online catalogue (2016: 4,596 titles comprising 7,469 volumes).
- We have continued to provide training sessions for members on Catalyst, the Primo/SFX discovery tool launched in 2014-2015, and 25 sessions were given in 2016-2017.

- We continued to add to the collection in all subject areas, with purchases totalling £333,746 (2016: £310,785). This total includes £58,383 (2016: £54,165) for digital/online resources (reflecting the growing importance of this aspect of the collection) and £96,284 (2016: £86,320) for periodicals. During the year we received donations to the Book Fund totalling £13,475 (2016: £11,610) in addition to £1,225 (2016: £875) for the Adopt A Book scheme. We also added to the collection donated books and periodicals worth £16,200 (2016: £16,600). We are most grateful to all the donors listed on page 33 for their generosity.
- Our in-house team conserved 1,397 books from the collections on open shelves (2016: 1,225).
- We also created preservation assessment records for 210 rare books and pamphlets while cleaning and repairing the books and placing them in secure accommodation (2016: 183).
- We reviewed the loan status of books in our closed storage collections, bringing 214 volumes into circulation on our open shelves.
- We sent 4,618 volumes to commercial binders for binding or re-binding (2016: 4,547). We are grateful to The Viscountess Boyd Charitable Trust, The Leche Trust and CHK Charities Limited for supporting this work.
- We continued to develop the skills of our preservation staff and volunteers and to train all new staff in appropriate book-handling techniques.
MEMBERSHIP

Total membership numbers began the year at 6,613 and fell to 6,569 at the end of March 2017. The net decrease of 44 in the year comprises:

<table>
<thead>
<tr>
<th>Category</th>
<th>Annual</th>
<th>Life</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>New members</td>
<td>739</td>
<td>8</td>
<td>747</td>
</tr>
<tr>
<td>Commutations</td>
<td>(18)</td>
<td>18</td>
<td>-</td>
</tr>
<tr>
<td>Withdrawals/deaths</td>
<td>(749)</td>
<td>(42)</td>
<td>(791)</td>
</tr>
<tr>
<td>Net</td>
<td>(28)</td>
<td>(16)</td>
<td>(44)</td>
</tr>
</tbody>
</table>

Of the new annual members 173 were under the age of 25 (2016: 157).

The number of new members recruited during the Library’s 175th year is 55 higher than for 2015-2016 and with only 4 more withdrawals, this has resulted in lower net decline compared to the previous year. Nevertheless, the trend of declining member numbers over recent years has continued and increases in fee rates are insufficient to cover the rising costs of running the Library.

At the end of May 2017 the Librarian wrote to all members explaining the financial position whilst emphasising that the Library does not intend to increase membership fee rates beyond modest annual increases in line with inflation. The Library does, however, greatly need members’ assistance in recruiting new members and to help with this has introduced a new voucher of £50 off the first year of membership which existing members can give to someone they think might enjoy becoming a member.

The costs of marketing and communications totalled £430,020 (2016: £245,002) as shown in Note 6.1 to the accounts. This increase is due to the costs associated with the Library’s 175th anniversary celebrations including *Words in The Square*, which overall generated net income of £42,135.

Further details can be found under Organisational Information on pages 39-40.

STAFF AND VOLUNTEERS

February 2017 saw the retirement of Paul Hamlyn after almost ten years as the Library’s Bursar. He is succeeded by Peter Hyde in a broadly equivalent role of Finance Director.

We should like to thank the students from Camberwell College of Arts who joined our preservation work placement scheme this year. Marya Muzart and Cynthia Kapteyn created archival-quality boxes to house vulnerable volumes in the Higginson Collection.

We are also grateful to Collection Care volunteer John Perkins, who continues to make a valuable contribution to our Special Collections documentation work; and to Jane Haslam, Karen Horn and Marit Tronslin for their work on retrospective cataloguing.

FUNDRAISING

The Founders’ Circle raised £184,474 (2016: £144,753) including Gift Aid during the year. A further £35,779 was received via the International Friends of The London Library from the US chapter (2016: £69,505).

£320,000 was received from the sale of a property which was part of the R M Chambers Settlement (2016: £0). Donations to the Library’s 175th Anniversary Appeal totalled £99,082 (2016: £0). Other unrestricted donations totalled £68,372 (2016: £43,290).

Restricted donations totalled £80,180 (2016: £52,190) including £32,248 for the Development Appeal Fund (2016: £35,196) and £28,459 for supported memberships (2016: £14,968). The latter includes a grant of £10,000 from the Clore Duffield Foundation, representing the final annual instalment of a three-year commitment.

Events, merchandising and commercial sponsorship added a total of £146,373 (2016: £16,836), the increase due mainly to income from ticket sales and sponsorship for *Words in The Square*.

Legacy and estate income (including royalties from literary estates) totalled £96,477 (2016: £242,854).

Income was in line with or exceeded targets in all main fundraising income categories and fundraising costs totalled £339,772 (2016: £280,299).

PLANS FOR 2017-2018

The current strategic plan will reach the end of its term in autumn 2017 and a key task for 2017-2018 will be to complete the new strategic plan for subsequent years. This plan will need to articulate the core features of the Library’s identity while seeking to place its finances on the firmest possible footing. Central to the latter will be the continued endeavour to increase membership numbers while raising capital and endowment funds, and seeking the most effective ways to supplement fee income in the shorter term.
In October 2016 the Librarian gave advance notice of her intention to retire in September 2017 after almost 30 years of service to the Library, 15 as Librarian. In 2016-2017 the Library started the process of succession planning which will be continued in 2017-2018. Recognising the wider responsibilities of leading the London Library, the Librarian role has been re-designated as Director of the Library. Given the existing strength and depth of librarianship experience within the Library the new Library Director will focus on developing the Library’s membership and making this an integral part of the Library’s new strategy.

HOW CAN MEMBERS HELP?

If you are a member there are a number of ways in which you can make a real difference. You can for example:

SPREAD THE WORD

- Social media – get involved online with the growing conversation about the Library and its resources
- Encourage media to contact us about potential coverage or location work
- Let us know about books you are writing or researching in the Library – public acknowledgements can be really useful
- Consider us for your book publicity events and venue hire

[For further information please contact Julian Lloyd (Head of Communications)]

RECRUIT A NEW MEMBER

- Recommend the Library to your friends and encourage them to join
- Use the member gift voucher for £50 off the first year of membership, which can be given by existing members to someone that they think might enjoy becoming a member
- Enrol your spouse, parents, children or grandchildren as members
- Encourage companies and institutions to join as institutional members

SUPPORT OUR FUNDRAISING

- Join the Founders Circle, and/or encourage other members with means and a strong interest in literary and cultural institutions to join
- If you are a US taxpayer, consider supporting the International Friends of The London Library, a registered 501(c) 3 charitable corporation based in New York
- Make a donation to support new acquisitions or to support the Carlyle Membership scheme, helping into membership those who need the Library for their work, but who would otherwise struggle to afford the full fee
- Donate a book you have written or persuade a publisher to donate books to the Library on request
- Make a bequest to the Library in your will or name it as a residuary legatee
- Make a donation to the Tom Stoppard Innovation Fund or introduce a potential donor or grant-making trust to the fundraising team

[For further information please contact Philip Spedding (Development Director)]

GET INVOLVED

- Offer an article to the Library magazine
- Offer to organise a member event

You can also volunteer as a Trustee or committee member. See the announcements in the Spring issue of the Library magazine for details of the process and timetable.

Finally, you can switch your payment method to direct debit to show your commitment and make administration easier (over 70% already have).

[For further information please contact the Membership Office]

The Library has survived and flourished for over 175 years because of the enthusiastic support of its members, and this will continue to be critically important in the future.
FINANCIAL REVIEW

The table below shows the Statement of Financial Activity arranged to separate operational results, fundraising activity and investment income. Full details can be found in the accounts.

<table>
<thead>
<tr>
<th></th>
<th>2017 £000</th>
<th>2017 £000</th>
<th>2016 £000</th>
<th>2016 £000</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Result</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Membership and Trading Income</td>
<td>2,801</td>
<td>2,599</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less: related expenditure</td>
<td>(3,958)</td>
<td>(3,641)</td>
<td>(1,157)</td>
<td>(1,042)</td>
</tr>
<tr>
<td></td>
<td>(1,157)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Fundraising Activity</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fundraising income</td>
<td>1,421</td>
<td>1,330</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Less: related expenditure</td>
<td>(340)</td>
<td>(280)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>1,081</td>
<td>1,050</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Investment income</strong></td>
<td>332</td>
<td>317</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Gains/(losses) in the value of investments</strong></td>
<td>659</td>
<td>(503)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Reduction/(increase) in the estimated liability of the pensions deficit under accounting standards</strong></td>
<td>116</td>
<td>(137)</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Net movement in funds</strong></td>
<td>1,031</td>
<td>(315)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

Membership fees in the year amounted to £2,663k and income from trading activities was £138k, however the costs of operating the Library, including marketing and communications expenditure, were £3,958k. The Trustees do not consider this operating deficit can be sustained in the long-term.

Although the Library successfully raised new endowment funds during 2016-2017, it recorded a deficit on its core (unrestricted) funds in both of the last two years. The 2016-2017 unrestricted fund figures have been improved by a strong investment performance and a significant receipt of £320,000 from the RM Chambers Settlement. This should not, however, disguise the fact that the Library continues to struggle to generate sufficient income from membership fees to cover the costs of running the Library. This is an issue that remains the Library’s primary strategic focus.

Membership fees, at approximately 70% of total income, remain central to the Library’s current business model and relate directly to the provision of services to members, who represent the principal class of beneficiaries. Donations, legacies and other fundraising activities contributed around 25% and investment income 5% of the total.

The Library accounts for its book collection by charging the costs of acquisitions against income in the year they are made. While this is normal accounting practice a consequence is that the value of the Library’s collection does not appear in these financial statements. The aggregate collection of over one million books is valued for insurance purposes at £25 million (see also Note 1(h)).
RESERVES AND INVESTMENT POLICIES

Reserves are defined as the part of a charity’s total funds that is freely available for use without restriction and without having to sell property needed for its operations. They are needed to cover short-term fluctuations in cash flow and to ensure that a charity can meet its obligations if revenue generated falls short of expectations. They also enable it to respond to longer-term threats and opportunities that may emerge.

The table below sets out the structure of target reserves, separated into three tiers according to their purpose. Tier 1 reserves provide short-term working capital. The target for the Tier 2 reserves is calculated by reference to estimated maximum possible shortfalls of core income against expenditure over the next four years, adjusted as appropriate for planned building project works and pension fund commitments. Together Tiers 1 and 2 thus constitute the minimum reserves target which the Trustees consider appropriate given the Library’s risk profile. Tier 3 reserves represent those in excess of the minimum target which are available for growth and development as well as protection.

The table also shows the allocation of investment assets considered appropriate for each tier of reserves. It is widely accepted that equity investments have historically given the best performance of any asset class over the longest time periods, but experience has shown that the returns are highly volatile. The Trustees are mindful of the fact that the Library has high fixed costs and so needs time to respond to changing circumstances, and therefore consider it prudent to retain a substantial part of the total target reserves in assets with low risk and high liquidity, whilst seeking to achieve the highest possible return consistent with these constraints. Occasionally market conditions may make an adjustment to asset allocation desirable, but otherwise dealing and its associated costs are kept to a minimum.

<table>
<thead>
<tr>
<th>Tier</th>
<th>Purpose</th>
<th>Investment criteria</th>
<th>Planned asset allocation</th>
<th>Target amount £m</th>
<th>Actual amount £m</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Short-term working capital</td>
<td>Liquid, risk-free</td>
<td>Cash</td>
<td>1.0</td>
<td>1.0</td>
</tr>
<tr>
<td>2</td>
<td>Bridging income or cash shortfalls</td>
<td>Liquid, low-risk</td>
<td>Cash, gilts, bonds, equity funds</td>
<td>3.2</td>
<td>3.2</td>
</tr>
<tr>
<td></td>
<td>Minimum reserves target</td>
<td></td>
<td></td>
<td>4.2</td>
<td>4.2</td>
</tr>
<tr>
<td>3</td>
<td>Contingencies, growth and development</td>
<td>Liquid, medium-risk</td>
<td>Cash, gilts, bonds, equity &amp; property funds</td>
<td>-</td>
<td>0.2</td>
</tr>
<tr>
<td></td>
<td>Total reserves</td>
<td></td>
<td></td>
<td>4.4</td>
<td></td>
</tr>
</tbody>
</table>

The Library’s reserves are reviewed annually against target and action taken to address significant shortfalls, and to adjust the asset allocation. The Trustees regard the present position as satisfactory.

In addition to reserves of £4.4m the Library holds designated funds of £19.4m, which represent the Library’s buildings (including investment properties) and other tangible fixed assets. Free reserves and designated funds together constitute the Operating Fund of £23.8m, which represents unrestricted funds excluding the pension reserve. The latter stands at £1.3m deficit, so net unrestricted funds total £22.5m.

The Library also has restricted income funds of £0.6m and endowment funds of £3.3m, so its total funds are £26.4m. Because the restricted income funds and endowments support the Library’s activities over the longer term, the Trustees consider it appropriate to invest these funds in assets corresponding to Tier 3 in the table below left.

Further details can be found in Note 12 to the accounts on pages 25-27 and under Organisational Information on pages 39-40.

REVIEW OF INVESTMENT PERFORMANCE

In July 2016 the Library carried out an investment review in order to appoint external investment managers, with charity sector experience, to take over the Library’s entire portfolio, with consideration being given to splitting separate elements of the Library’s portfolio between different investment managers. The transfer of the investments was fully completed in November 2016 and the Library’s Tier 2 and Tier 3 investments are now held in two funds managed by Newton Investment Management.

The Library’s investment objective is to achieve a good income return while protecting the long term real value of the capital. The fund holding the Tier 2 investments is managed to seek a minimum total return of 1 month LIBOR +4% per annum over 5 years and the fund holding the Tier 3 and endowment investments has a minimum income yield target of 3% per annum while maintaining the real value of capital. The Library’s financial investments generated income of £279,164 (2016: £259,782) and a net gain in value of £658,827 or about 8.9% (2016: loss of £503,497 or 8.8%). Interest income added a further £843 (2016: £5,868) and rental income from the Library’s investment properties totalled £51,750 (2016: £52,025).

Investment management costs cannot be easily identified as the investments are held in pooled funds. The value of the investment funds shown at the balance sheet date is arrived at after all investment management fees have been deducted. The fees charged to funds are at rates between 0.6% and 0.79% based on the value of the investments and the nature of the assets held.
RISK MANAGEMENT

The Trustees have overall responsibility for ensuring that the Library has appropriate procedures in place to mitigate risks related to strategy, operations, finance or legal compliance. The Library maintains a Risk Register which lists by category the key risks to which the Library is exposed and the monitoring and mitigation measures in place or under consideration. The register is kept under regular review and formally updated at least annually. The summary below explains the principal risks and uncertainties and how these are managed:

Strategy
The Library has robust arrangements to ensure that its strategy is set and implemented appropriately. These include a Strategic Plan, thorough recruitment processes for senior staff, including the incoming Library Director, formal Trustee recruitment and induction processes and periodic governance reviews. The Library does, however, recognise that it is in a period of strategic change and the corresponding risk has therefore been given increased prominence in the risk register.

Operations
Operational risks cover a wide range, but the two most serious are physical disasters and dissatisfaction with the service provided to members. Protection against physical disasters has been significantly enhanced in recent years through improvements to the fire alarm system and the implementation of both detection and prevention measures in relation to water ingress. A Business Continuity Plan is also in place. Meanwhile close attention is paid to the needs and expectations of members and, through training and induction, efforts are made to ensure that they make best use of the facilities available.

Finance
The Library is heavily dependent on membership subscriptions to fund its operations. These provide a steady stream of core income but can be subject to attrition from a variety of causes. Fee rates have to keep pace with inflation in order to maintain service levels, but to many individual members they represent a significant outlay that requires justification. The Library’s membership marketing and retention strategy therefore seeks to emphasise what makes its offer unique.

However, membership fees are not presently sufficient on their own and must be supplemented by voluntary and investment income. In recent years the Library has been able to raise regular unrestricted donations at a substantial level mainly through the Founders’ Circle, but maintaining such programmes requires significant effort and marketing. A key fundraising objective is therefore to seek endowment donations that will increase the investment base. Legacies remain an important source of income and future legacy pledges are being encouraged accordingly.

The Library has a defined benefit pension scheme (the Staff Superannuation Fund) which was closed to further accrual in April 2011, as a major step in mitigating the risk associated with it. The scheme remains in deficit, but contributions have been agreed with the actuary to reduce it over the next 8 years.

Legal compliance
The Library regularly monitors new and proposed legislation, taking specialist advice where necessary, so this is not in general considered a major risk area. The area of greatest focus at present is the General Data Protection Regulation (GDPR), which will come into force against a backdrop of increased regulatory and media scrutiny of the fundraising practices of charities.

STRUCTURE, GOVERNANCE AND MANAGEMENT

CONSTITUTION

The London Library is a registered charity (number 312175), incorporated by Royal Charter dated 6 July 2004. It has its own Byelaws and the power to alter its own Rules. It has a royal Patron and Vice-Patron as well as a President and Vice-Presidents appointed by the Trustees subject to confirmation by members at the next AGM. The Patrons, President and Vice-Presidents are vital and much-valued ambassadors for the Library but play no part in its formal management.

The Library is governed by no fewer than twelve and no more than sixteen trustees, of whom all but the Chairman and Treasurer are elected by members from their number. The Trustees choose their own Chairman and Treasurer, who may or may not already be Trustees at the time of their appointment. Both hold office for up to four years but may be re-elected immediately for one further term.

DELEGATION OF POWERS

The Trustees are responsible for the long-term well-being and effectiveness of the Library and make decisions on the application of its resources, the safeguarding of assets, and the determination of strategies and policies in keeping with its founding aims. The executive management of the Library is delegated to the Librarian, who is appointed by the Trustees and takes decisions on matters such as the appointment of staff, the admission and regulation of members, the acquisition of books and other library materials and the financial management of the Library within budgets recommended by the Finance Committee and approved by the
Trustees. The Librarian, as Chief Executive, heads the Executive Team which also includes the Deputy Librarian, the Finance Director and the Development Director.

In accordance with the Charter, the Trustees have delegated certain powers to specialist committees under agreed terms of reference. The committees currently in place are the Building and Facilities Committee, the Chairs’ Committee, the Development Committee, the Director Search Committee, the Finance Committee, the Membership Committee and the Nominations Committee.

The Library’s specialist committees may include members with specialist skills and experience who are not current Trustees (although some may be former Trustees). In particular the Trustees are grateful to Jocelyn Ridley for the valuable services she provided on the Nominations Committee during 2016-2017. Thanks are also due to those who served as trustees of the Staff Superannuation Fund during the year: Inez Lynn, Rosemary Morgan, Alan Saunders, Alison Sproston, Richard Templeton and Gill Turner.

REMUNERATION POLICY FOR KEY MANAGEMENT PERSONNEL

The Trustees consider that the Library’s Key Management Personnel comprise the Trustees and the Executive Team, whose members are defined above. The Trustees give of their time freely and no Trustee received any remuneration during the year. Details of transactions with Trustees and other related parties are disclosed in Note 14 to the accounts.

Salaries for all staff (including Executive Team members except the Librarian and the Development Director) are based on the single-spine pay scale set by the Universities and Colleges Employers Association (UCEA), and cost-of-living pay awards follow those recommended by UCEA. For certain posts the scale salary may be supplemented by a market addition which is not subject to annual increases. Base salaries for the Librarian and the Development Director correspond to professorial posts and as such are negotiated separately by reference to appropriate sectoral benchmarks, but cost-of-living pay awards match those of UCEA. Details of the total employee benefits for Key Management Personnel are included in Note 15 to the accounts.

Jobs within the Library are evaluated by specially convened panels using a scoring matrix which takes into account factors such as responsibility, discretion in decision-making, problem-solving and communication with others. The Library operates a Review and Development programme which aims to monitor the performance of staff against agreed objectives while encouraging them to maximise their potential.

APPOINTMENT AND RETIREMENT OF TRUSTEES

Trustees other than the Chairman and Treasurer serve for four years before retiring by rotation but are eligible for immediate re-election for one further four-year term. Each year, a Nominations Committee appointed by the Trustees reviews the balance of skills and experience amongst the Trustees and advertises the expertise required to the whole membership in the Spring issue of the Library magazine and on the Library website. The Nominations Committee interviews those candidates most closely matching the requirements before recommending them to the Trustees as suitable candidates for election by members at the AGM. The Nominations Committee includes a non-trustee member of the Library with specialist skills and experience in the field of recruitment and governance.

All new Trustees are given online access to an induction manual covering the duties and responsibilities of trustees, all aspects of the Library’s governance and management procedures, and relevant documents of record, including the minutes of meetings for the past year and recent policy and strategy papers. Introductory meetings are held with key members of staff, and support is available from the Chairman, Treasurer and other Trustees.

SUBSIDIARY AND RELATED BODIES

The Library has a subsidiary charity, The London Library Trust, now established as a linked charity (registered number 312175-1) which was set up in 1952 in order to assist the Library in the achievement of its charitable objectives. The assets of the Trust are held by the Library as a restricted fund and the Library is its sole trustee. The Library also has a wholly-owned subsidiary company, London Library Enterprises Ltd, which has no assets and has not traded since incorporation.

Along with Girton College, Cambridge, the Library is a joint beneficiary of Mrs R M Chambers’ Settlement, which owns and manages an estate of freehold properties in Ealing. Each of the beneficiaries appoints a trustee to manage the Settlement’s affairs and property, and receives grants in equal shares in respect of the net proceeds of property sales and rentals.
The Trustees are responsible for preparing the Trustees’ Annual Report and the accounts in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice).

The law applicable to charities in England and Wales requires the Trustees to prepare accounts for each financial year which give a true and fair view of the state of affairs of the charity and of the incoming resources and application of resources of the charity for that period. In preparing these accounts, the Trustees are required to:

- select suitable accounting policies and then apply them consistently;
- observe the methods and principles in the Charities SORP 2015 (FRS 102);
- make judgements and estimates that are reasonable and prudent;
- state whether applicable United Kingdom accounting standards have been followed, subject to any material departures disclosed and explained in the accounts;
- prepare the accounts on the going concern basis unless it is inappropriate to presume that the charity will continue in operation.

The Trustees are responsible for keeping proper accounting records that disclose with reasonable accuracy at any time the financial position of the charity and enable them to ensure that the accounts comply with the Charities Act 2011, the Charity (Accounts and Reports) Regulations 2008 and the provisions of the Royal Charter. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Trustees are responsible for the maintenance and integrity of the charity and financial information included on the charity’s website. Legislation in the United Kingdom governing the preparation and dissemination of accounts may differ from legislation in other jurisdictions.

The accounts have been prepared in accordance with the Statement of Recommended Practice: Accounting and Reporting by Charities for charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) (Charities SORP 2015 (FRS 102), issued on 16 July 2014) and UK Generally Accepted Accounting Practice as it applies from 1 January 2015.

The accounts have been prepared to give a ‘true and fair’ view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a ‘true and fair view’. This departure is purely a technicality and is due to the successor Regulations which underpin the Charities SORP 2015 (FRS 102) not yet being issued. This departure has involved following the Charities SORP 2015 (FRS 102) rather than the previous SORP, Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005, which has since been withdrawn.

Approved by the Trustees on 19 July 2017 and signed on their behalf by

Sir Howard Davies  Philip Broadley FCA  Inez T P A Lynn
CHAIRMAN      TREASURER      LIBRARIAN
INDEPENDENT AUDITOR’S REPORT TO THE TRUSTEES OF THE LONDON LIBRARY

We have audited the financial statements of The London Library for the year ended 31 March 2017 which comprise the Statement of Financial Activities, the Balance Sheet, the Statement of Cash Flows and the related notes numbered 1 to 19. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) including FRS 102 ‘The Financial Reporting Standard applicable in the UK and Republic of Ireland’.

This report is made solely to the charity’s Trustees, as a body, in accordance with regulations made under section 154 of the Charities Act 2011. Our audit work has been undertaken so that we might state to the charity’s Trustees those matters we are required to state to them in an auditor’s report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the charity and the charity’s Trustees as a body, for our audit work, for this report, or for the opinions we have formed.

RESPECTIVE RESPONSIBILITIES OF TRUSTEES AND AUDITOR

As explained more fully in the Statement of Trustees’ Responsibilities, the Trustees are responsible for the preparation of financial statements which give a true and fair view.

We have been appointed as auditor under section 144 of the Charities Act 2011 and report in accordance with regulations made under section 154 of that Act. Our responsibility is to audit and express an opinion on the financial statements in accordance with applicable law and International Standards on Auditing (UK and Ireland). Those standards require us to comply with the Auditing Practices Board’s Ethical Standards for Auditors.

SCOPE OF THE AUDIT OF THE FINANCIAL STATEMENTS

An audit involves obtaining evidence about the amounts and disclosures in the financial statements sufficient to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or error. This includes an assessment of: whether the accounting policies are appropriate to the charity’s circumstances and have been consistently applied and adequately disclosed; the reasonableness of significant accounting estimates made by the Trustees; and the overall presentation of the financial statements. In addition, we read all the financial and non-financial information in the Trustees’ Annual Report to identify material inconsistencies with the audited financial statements and to identify any information that is apparently materially incorrect based on, or materially inconsistent with, the knowledge acquired by us in the course of performing the audit. If we become aware of any apparent material misstatements or inconsistencies we consider the implications for our report.

OPINION ON FINANCIAL STATEMENTS

In our opinion the financial statements:

- give a true and fair view of the state of the charity’s affairs as at 31 March 2017, and of its incoming resources and application of resources, for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Charities Act 2011.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

We have nothing to report in respect of the following matters where the Charities Act 2011 requires us to report to you if, in our opinion:

- the information given in the Trustees’ Annual Report is inconsistent in any material respect with the financial statements; or
- sufficient accounting records have not been kept; or
- the financial statements are not in agreement with the accounting records and returns; or
- we have not received all the information and explanations we require for our audit.

MHA Macintyre Hudson
Statutory Auditor
New Bridge Street House
30-34 New Bridge Street
London EC4V 6BJ

MHA Macintyre Hudson is eligible to act as an auditor in terms of section 1212 of the Companies Act 2006.
**STATEMENT OF FINANCIAL ACTIVITIES**
for the year ended 31 March 2017

<table>
<thead>
<tr>
<th>Note</th>
<th>Unrestricted Funds 2017</th>
<th>Restricted Funds 2017</th>
<th>Endowment Funds 2017</th>
<th>Total Funds 2017</th>
<th>Total Funds 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td><strong>INCOME AND ENDOWMENTS FROM:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Donations and legacies</td>
<td>2</td>
<td>811,935</td>
<td>132,395</td>
<td>477,050</td>
<td>1,421,380</td>
</tr>
<tr>
<td>Charitable activities</td>
<td>5</td>
<td>2,662,734</td>
<td>-</td>
<td>-</td>
<td>2,662,734</td>
</tr>
<tr>
<td>Other trading activities</td>
<td>3</td>
<td>138,626</td>
<td>-</td>
<td>-</td>
<td>138,626</td>
</tr>
<tr>
<td>Investments</td>
<td>4</td>
<td>185,302</td>
<td>146,455</td>
<td>-</td>
<td>331,757</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td>3,798,597</td>
<td>278,850</td>
<td>477,050</td>
<td>4,554,497</td>
</tr>
<tr>
<td><strong>EXPENDITURE ON:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Raising funds</td>
<td>6.1</td>
<td>769,791</td>
<td>-</td>
<td>-</td>
<td>769,791</td>
</tr>
<tr>
<td>Charitable activities</td>
<td>6.2</td>
<td>3,296,369</td>
<td>231,487</td>
<td>-</td>
<td>3,527,856</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
<td>4,066,160</td>
<td>231,487</td>
<td>-</td>
<td>4,297,647</td>
</tr>
<tr>
<td><strong>NET INCOME/(EXPENDITURE) before investment (losses)/gains</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net gains/(losses) on investments</td>
<td>8</td>
<td>324,207</td>
<td>59,937</td>
<td>274,683</td>
<td>658,827</td>
</tr>
<tr>
<td><strong>NET INCOME/(EXPENDITURE)</strong></td>
<td></td>
<td>56,644</td>
<td>107,300</td>
<td>751,733</td>
<td>915,677</td>
</tr>
<tr>
<td>Transfers between funds</td>
<td>12</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td><strong>OTHER RECOGNISED GAINS &amp; LOSSES:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Actuarial gains/(losses) on defined benefit pension scheme</td>
<td>13</td>
<td>116,000</td>
<td>-</td>
<td>-</td>
<td>116,000</td>
</tr>
<tr>
<td><strong>NET MOVEMENT IN FUNDS</strong></td>
<td></td>
<td>172,644</td>
<td>107,300</td>
<td>751,733</td>
<td>1,031,677</td>
</tr>
<tr>
<td><strong>FUNDS AT START OF YEAR</strong></td>
<td>12, 19</td>
<td>22,277,013</td>
<td>501,004</td>
<td>2,601,363</td>
<td>25,379,380</td>
</tr>
<tr>
<td><strong>FUNDS AT END OF YEAR</strong></td>
<td>12, 19</td>
<td>22,449,657</td>
<td>608,304</td>
<td>3,353,096</td>
<td>26,411,057</td>
</tr>
</tbody>
</table>

The notes on pages 17 to 32 form part of these accounts.
## BALANCE SHEET

as at 31 March 2017

<table>
<thead>
<tr>
<th>Note</th>
<th>31 March 2017</th>
<th>31 March 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td><strong>FIXED ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tangible fixed assets</td>
<td>7</td>
<td>18,529,282</td>
</tr>
<tr>
<td>Investment properties</td>
<td>8.1</td>
<td>885,833</td>
</tr>
<tr>
<td>Financial investments</td>
<td>8.2</td>
<td>7,370,354</td>
</tr>
<tr>
<td><strong>TOTAL FIXED ASSETS</strong></td>
<td></td>
<td>26,785,649</td>
</tr>
<tr>
<td><strong>CURRENT ASSETS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Debtors and prepayments</td>
<td>10</td>
<td>849,461</td>
</tr>
<tr>
<td>Bank balances and cash in hand</td>
<td></td>
<td>1,117,931</td>
</tr>
<tr>
<td></td>
<td></td>
<td>1,967,392</td>
</tr>
<tr>
<td><strong>LIABILITIES</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Creditors: amounts due within one year</td>
<td>11</td>
<td>(447,876)</td>
</tr>
<tr>
<td><strong>NET CURRENT ASSETS</strong></td>
<td></td>
<td>1,519,516</td>
</tr>
<tr>
<td><strong>TOTAL ASSETS LESS CURRENT LIABILITIES</strong></td>
<td></td>
<td>28,304,985</td>
</tr>
<tr>
<td>Creditors: amounts due after more than one year</td>
<td>11</td>
<td>(560,928)</td>
</tr>
<tr>
<td><strong>NET ASSETS excluding pensions liability</strong></td>
<td></td>
<td>27,744,057</td>
</tr>
<tr>
<td>Pension liability</td>
<td></td>
<td>(1,333,000)</td>
</tr>
<tr>
<td><strong>TOTAL NET ASSETS</strong></td>
<td></td>
<td>26,411,057</td>
</tr>
<tr>
<td>Represented by</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>RESTRICTED INCOME FUNDS</strong></td>
<td></td>
<td>608,304</td>
</tr>
<tr>
<td><strong>ENDOWMENT FUNDS</strong></td>
<td></td>
<td>3,353,096</td>
</tr>
<tr>
<td><strong>UNRESTRICTED FUNDS</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>excluding pension liability</td>
<td></td>
<td>23,782,657</td>
</tr>
<tr>
<td>Pensions reserve</td>
<td>13</td>
<td>(1,333,000)</td>
</tr>
<tr>
<td><strong>Total unrestricted funds</strong></td>
<td></td>
<td>22,449,657</td>
</tr>
<tr>
<td><strong>TOTAL CHARITY FUNDS</strong></td>
<td>12</td>
<td>26,411,057</td>
</tr>
</tbody>
</table>

Approved and authorised for issue by the Trustees on 19 July 2017 and signed on their behalf by

Sir Howard Davies  
CHAIRMAN

Philip Broadley FCA  
TREASURER

Inez T P A Lynn  
LIBRARIAN

The notes on pages 17 to 32 form part of these accounts.
# STATEMENT OF CASH FLOWS
for the year ended 31 March 2017

<table>
<thead>
<tr>
<th>Note</th>
<th>2017</th>
<th>2017</th>
<th>2016</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Net cash flow from operating activities</td>
<td>18</td>
<td>203,813</td>
<td>(39,787)</td>
<td></td>
</tr>
<tr>
<td>Cash flows from investing activities</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dividends, interest and rent from investments</td>
<td>331,757</td>
<td>317,675</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proceeds from sale of investment property</td>
<td>61,856</td>
<td>97,793</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proceeds from sale of tangible fixed assets</td>
<td>-</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payments to acquire tangible fixed assets</td>
<td>(12,020)</td>
<td>(45,692)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Proceeds from sale of investments</td>
<td>7,031,725</td>
<td>-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Payments to acquire investments</td>
<td>(8,002,000)</td>
<td>(500,000)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| Net cash flow from investing activities | (588,682) | (130,224) |
| (Decrease)/increase in cash and cash equivalents | (384,869) | (170,011) |
| Cash and cash equivalents at start of year | 1,502,800 | 1,672,811 |
| Cash and cash equivalents at end of year | 1,117,931 | 1,502,800 |

| Analysis of cash and cash equivalents |      |      |      |      |
| Cash in hand | 1,117,931 | 1,502,800 |
| Notice deposits | - | - |

| Total cash and cash equivalents | 1,117,931 | 1,502,800 |

The notes on pages 17 to 32 form part of these accounts.
NOTES TO THE ACCOUNTS

1 ACCOUNTING POLICIES

(a) General information and basis of preparation
The London Library is a registered charity (number 312175) with the Charity Commission in England & Wales, and is incorporated by Royal Charter. It constitutes a public benefit entity as defined by FRS 102. The accounts have been prepared in accordance with Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014, the Financial Reporting Standard applicable in the United Kingdom and Republic of Ireland (FRS 102), the Charities Act 2011 and UK Generally Accepted Practice as it applies from 1 January 2015.

The financial statements have been prepared to give a ‘true and fair’ view and have departed from the Charities (Accounts and Reports) Regulations 2008 only to the extent required to provide a ‘true and fair view’. This departure has involved following the Accounting and Reporting by Charities: Statement of Recommended Practice applicable to charities preparing their accounts in accordance with the Financial Reporting Standard applicable in the UK and Republic of Ireland (FRS 102) issued on 16 July 2014 rather than the Accounting and Reporting by Charities: Statement of Recommended Practice effective from 1 April 2005 which has since been withdrawn.

The accounts are prepared in sterling which is the functional currency of the charity. The registered office and principal place of business is as stated on page 2.

The significant accounting policies applied in the preparation of these accounts are set out below. These policies have been consistently applied to all years presented unless otherwise stated.

(b) Preparation of the accounts on a going concern basis
The accounts are prepared on a going concern basis under the historical cost convention, modified to include certain items at fair value. The Trustees consider that this remains an appropriate basis for the preparation of the accounts as no material uncertainties exist which would threaten the going concern status. The Library is expected to continue in operational existence for the foreseeable future, based on the strategic plans in place, the related financial budgets and forecasts, and its satisfactory reserves position, as detailed in the Trustees’ Annual Report and in Note 12.

(c) Fund accounting
The charity’s funds are shown in Note 12.

Unrestricted funds are those available for use at the discretion of the Trustees in furtherance of the general objectives of the charity and which have not been designated for other purposes. Designated funds comprise unrestricted funds that have been set aside by the Trustees for particular purposes. These represent the net book value of tangible fixed assets and the fair value of the charity’s investment properties.

Restricted funds are funds which are to be used in accordance with specific restrictions imposed by donors or which have been raised by the charity for particular purposes. The aim and use of each restricted fund is set out in Note 12.

The charity’s Operating Fund comprises the designated funds together with the free reserves (which exclude the pension reserve). Donations and legacies which are not restricted for any other purpose are credited to the Operating Fund.

Endowment funds represent those donations and gifts which have been given to the Library for the purpose of providing a permanent asset base from which investment income is generated. Depending on the terms of the gift, this income may be restricted or unrestricted as detailed in Note 12.

Gains and losses arising from the revaluation of investments are allocated to the funds in proportion to the opening carrying value of the fund class.

(d) Income
All incoming resources are included in the Statement of Financial Activities (SOFA) when the charity is legally entitled to the income after any performance conditions have been met, the amount can be measured reliably and it is probable that the income will be received.

Donations are recognised on receipt or, if earlier, when the charity has been notified of the amounts and the settlement date in writing. If there are conditions attached to the donation and this requires a level of performance before entitlement can be obtained then income is deferred until those conditions are fully met or the fulfilment of those conditions is within the control of the charity and it is probable that they will be fulfilled.

Donated facilities and donated professional services are recognised in income at their fair value when their economic benefit is probable, it can be measured reliably and the charity has control over the item. Fair value is determined on the basis of the value of the gift to the charity. For example the amount the charity would be willing to pay in the open market for such facilities and services. A corresponding amount is recognised in expenditure.
1 ACCOUNTING POLICIES continued

No amount is included in the accounts for volunteer time in line with the Charities SORP (FRS 102). Further detail about volunteers is given in the Trustees’ Annual Report.

Legacies are recognised when the charity has entitlement to the legacy (confirmed through the granting of probate), its receipt is probable and the value of the legacy can be measured with reasonable accuracy.

Annual membership subscriptions are recorded in full in the year in which they become due. Life membership fees have been credited to the SOFA over a period of 10 years for new memberships up to 31 March 2016 and over 15 years for new memberships between 1 April 2016 and 31 March 2017 (from 1 April 2017, new life membership fees will be released over 25 years).

Income from trading activities includes income earned from events and venue hire, and from merchandising sales, and is recognised in the period the event or sale takes place.

Investment income is earned through holding assets for investment purposes such as listed investments, gilts and property. Where it is not practicable to identify investment management costs incurred within a scheme with reasonable accuracy the investment income is reported net of these costs. Dividend and rental income is recognised as the charity’s right to receive payment is established. Accrued interest on gilt securities, where there is no intention to sell the investment before the interest is due, is recognised in the SOFA as a component of investment income, as it is not part of the underlying fair value of the related investment.

(e) Expenditure
All expenditure is accounted for on an accruals basis and has been classified under headings that aggregate all costs related to the category. Expenditure is recognised where there is a legal or constructive obligation to make payments to third parties, it is probable that the settlement will be required and the amount of the obligation can be measured reliably. It is categorised under the headings shown in Note 6.

The charity is registered for VAT. Irrecoverable VAT is charged as an expense against the activity for which expenditure arose.

(f) Support costs
Support costs are those that assist the work of the charity but do not directly represent charitable activities and include IT costs, administration and governance costs. Support costs are all allocated to charitable activities as shown in Note 6. Governance costs comprise those costs which are related to the strategic management of the charity and compliance, and include legal, audit and other professional fees, together with an allocation (20%) of administration costs.

(g) Tangible fixed assets
Tangible fixed assets are stated at cost less accumulated depreciation. Cost includes those directly attributable to making the asset capable of operating as intended.

Assets which are separately identifiable and cost less than £1,000 are not capitalised, except in the case of information and communications technology where a lower threshold of £100 applies.

Depreciation is provided on all tangible fixed assets, at rates calculated to write off the cost, less estimated residual value, of each asset on a systematic basis over its expected useful life as follows:

- Freehold land: Not depreciated
- Freehold property and improvements: 0.5% per annum
- Plant and equipment: 5% per annum
- Furniture and fittings: 4% per annum
- Information and communications technology: 20% per annum

The depreciation rates take into account the nature and use of the Library’s assets and the continuous maintenance programme to which they are subject.

(h) Heritage assets
The charity’s collection is made up over one million books which have accumulated over its lifetime; details are included in the Trustees’ Annual Report and in Note 9. The collection is insured for £25 million, however it is not included on the charity’s balance sheet on the basis that reliable information on its cost (if purchased) or valuation (if donated) is not available or the cost of providing such information significantly outweighs any benefit to the users of these accounts. Additionally the collection is fundamentally a working asset. Where acquisitions or donations of individual items are material, cost or valuation can be measured reliably and the acquisition or donation is deemed to have heritage value these items will be included on the balance sheet and then subsequently depreciated. Fair values for donated assets are estimated by reference to market prices, where available.

(i) Investment properties
Investment properties are measured at fair value at each reporting date. Fair value is attributed on the basis of a yield on the rental income, which is based on surveyors’ estimates. No value is attributed to the underlying land. The Trustees review this valuation annually with any changes in fair value.
being recognised in ‘net gains/(losses) on investments’ in the SOFA. Sales proceeds from lease extensions are treated as disposals.

(j) Fixed asset investments
Fixed asset investments in quoted shares, traded bonds and similar investments are measured initially at cost and subsequently at fair value (the bid price) at the reporting date with changes recognised in ‘net gains/(losses) on investments’ in the SOFA.

(k) Debtors receivable and creditors payable within one year
Debtors and creditors with no stated interest rate and receivable or payable within one year are recorded at transaction price. Any losses arising from impairment are recognised in expenditure.

(l) Provisions
Provisions are recognised when the charity has an obligation at the balance sheet date as a result of a past event, it is probable that an outflow of economic benefits will be required in settlement and the amount can be reliably estimated.

(m) Leases
Rentals payable under operating leases are charged to the SOFA on a straight line basis over the period of the lease.

(n) Foreign currency
Foreign currency transactions are initially recognised by applying to the foreign currency amount the spot exchange rate between sterling and the foreign currency at the date of the transaction. Monetary assets and liabilities denominated in a foreign currency at the balance sheet date are translated using the closing rate.

(o) Pension arrangements
The charity offers a Group Personal Pension Plan (a defined contribution scheme) through Scottish Widows for the benefit of its employees. Employer contributions are charged through the SOFA as they become payable.

The charity also operates the Library’s Staff Superannuation Fund (SSF), a defined benefit scheme, which was closed to new entrants and to future accrual on 1 April 2011. A liability for the charity’s obligations under the plan is recognised net of plan assets. The net change in the net defined benefit liability is recognised as the cost of the defined benefit plan during the period. Pension plan assets are measured at fair value and the defined benefit obligation is measured on an actuarial basis using methodology in accordance with FRS 102. Further details are provided in Note 13.

(p) Taxation
The charity is an exempt charity within the meaning of schedule 3 of the Charities Act 2011 and is considered to pass the tests set out in Paragraph 1 Schedule 6 Finance Act 2010, hence is able to take advantage of applicable charity tax exemptions for UK corporation tax purposes.

(q) Consolidation
The Library has a subsidiary trust, The London Library Trust, of which it is the sole Trustee and which has objects narrower than those of the Library itself. The Trust is dealt with in these accounts as a restricted fund. The Library also holds 100% of the share capital of London Library Enterprises Limited, registered in England and Wales (number 08229985). The company has nil net assets and has not traded since it was incorporated in September 2012, hence it is not consolidated in these accounts.

(r) Judgements and key sources of estimation uncertainty
The following judgements have been made in the process of applying the above accounting policies that have had the most significant effect on amounts recognised in the accounts:
- Depreciation rates for tangible fixed assets
- Basis of valuation of investment properties and financial investments
- Actuarial assumptions resulting in the valuation of the Defined Benefit pension scheme's assets and liabilities

(s) Financial instruments
The charity only holds basic Financial Instruments. The financial assets and financial liabilities of the Charity and their measurement basis are as follows:

Financial Assets – Trade and other debtors and accrued income are basic financial instruments and are debt instruments measured at amortised cost as detailed in Note 10. Prepayments are not financial instruments.

Investments – All investments are classified as basic financial instruments and held at their fair value.

Cash at bank – is classified as a basic financial instrument and is measured at face value.

Financial Liabilities – Trade creditors, accruals and other creditors will be classified as financial instruments, and are measured at amortised cost as detailed in Note 11. Taxation and social security are not included in the financial instruments disclosure. Deferred income and deferred life membership fees are not deemed to be a financial liability, as the cash settlement has already taken place and there is an obligation to deliver charitable services rather than cash or another financial instrument.
### 2 DONATIONS AND LEGACIES

#### Unrestricted funds

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donations</td>
<td>708,458</td>
<td>257,458</td>
</tr>
<tr>
<td>Legacies</td>
<td>96,477</td>
<td>242,854</td>
</tr>
<tr>
<td>Gifts in Kind</td>
<td>7,000</td>
<td>-</td>
</tr>
<tr>
<td><strong>Subtotal unrestricted</strong></td>
<td><strong>811,935</strong></td>
<td><strong>500,402</strong></td>
</tr>
</tbody>
</table>

#### Restricted funds

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donations to the Development Appeal Fund</td>
<td>32,248</td>
<td>35,196</td>
</tr>
<tr>
<td>Legacies for the Development Appeal Fund</td>
<td>52,215</td>
<td>-</td>
</tr>
<tr>
<td>Donations for supported membership</td>
<td>28,459</td>
<td>14,968</td>
</tr>
<tr>
<td>Other restricted donations</td>
<td>19,473</td>
<td>2,026</td>
</tr>
<tr>
<td><strong>Subtotal restricted</strong></td>
<td><strong>132,395</strong></td>
<td><strong>52,190</strong></td>
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</tbody>
</table>

#### Endowment funds

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Donations for endowments</td>
<td>477,050</td>
<td>777,444</td>
</tr>
<tr>
<td><strong>Subtotal endowment</strong></td>
<td><strong>477,050</strong></td>
<td><strong>777,444</strong></td>
</tr>
</tbody>
</table>

**Total income from donations and legacies**

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td><strong>1,421,380</strong></td>
<td><strong>1,330,036</strong></td>
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### 3 OTHER TRADING ACTIVITIES

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Events and venue hire</td>
<td>96,196</td>
<td>14,632</td>
</tr>
<tr>
<td>Commercial sponsorship</td>
<td>37,100</td>
<td>-</td>
</tr>
<tr>
<td>Merchandising sales</td>
<td>5,330</td>
<td>2,204</td>
</tr>
<tr>
<td><strong>Total income from other trading activities</strong></td>
<td><strong>138,626</strong></td>
<td><strong>16,836</strong></td>
</tr>
</tbody>
</table>

### 4 INVESTMENT INCOME

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Income from listed investments</td>
<td></td>
<td></td>
</tr>
<tr>
<td>UK</td>
<td>217,244</td>
<td>149,960</td>
</tr>
<tr>
<td>Outside UK</td>
<td>61,920</td>
<td>109,822</td>
</tr>
<tr>
<td><strong>Total income from listed investments</strong></td>
<td><strong>279,164</strong></td>
<td><strong>259,782</strong></td>
</tr>
<tr>
<td>Interest from deposits</td>
<td>843</td>
<td>5,868</td>
</tr>
<tr>
<td><strong>Total income from investment portfolio</strong></td>
<td><strong>280,007</strong></td>
<td><strong>265,650</strong></td>
</tr>
<tr>
<td>Income from property</td>
<td>51,750</td>
<td>52,025</td>
</tr>
<tr>
<td><strong>Total investment income</strong></td>
<td><strong>331,757</strong></td>
<td><strong>317,675</strong></td>
</tr>
</tbody>
</table>

Where applicable investment income includes an estimate of the income from the underlying assets of pooled accumulation funds.

### 5 INCOME FROM CHARITABLE ACTIVITIES

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Annual membership fees</td>
<td>2,497,095</td>
<td>2,414,888</td>
</tr>
<tr>
<td>Life membership fees</td>
<td>148,121</td>
<td>151,949</td>
</tr>
<tr>
<td>Temporary overseas membership fees</td>
<td>1,013</td>
<td>536</td>
</tr>
<tr>
<td>Reference ticket fees</td>
<td>2,990</td>
<td>2,795</td>
</tr>
<tr>
<td>Inter-Library loan fees</td>
<td>13,515</td>
<td>11,682</td>
</tr>
<tr>
<td><strong>Total income from charitable activities</strong></td>
<td><strong>2,662,734</strong></td>
<td><strong>2,581,850</strong></td>
</tr>
</tbody>
</table>
### 6 EXPENDITURE

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Staff costs</td>
<td>Other costs</td>
<td>Total</td>
<td>Staff costs</td>
<td>Other costs</td>
<td>Total</td>
</tr>
<tr>
<td><strong>6.1 Raising funds</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Fundraising</td>
<td>314,518</td>
<td>25,254</td>
<td>339,772</td>
<td>253,475</td>
<td>26,824</td>
<td>280,299</td>
</tr>
<tr>
<td>Marketing and Commun</td>
<td>135,925</td>
<td>294,094</td>
<td>430,019</td>
<td>129,385</td>
<td>115,617</td>
<td>245,002</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>450,443</td>
<td>319,348</td>
<td>769,791</td>
<td>382,860</td>
<td>142,441</td>
<td>525,301</td>
</tr>
<tr>
<td><strong>6.2 Charitable activities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Library operations</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Building and Facilities</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Management</td>
<td>241,677</td>
<td>729,146</td>
<td>970,823</td>
<td>232,427</td>
<td>759,030</td>
<td>991,457</td>
</tr>
<tr>
<td>Member Services</td>
<td>649,940</td>
<td>-</td>
<td>649,940</td>
<td>627,115</td>
<td>-</td>
<td>627,115</td>
</tr>
<tr>
<td>Bibliographic Services</td>
<td>291,095</td>
<td>3,085</td>
<td>294,180</td>
<td>287,859</td>
<td>2,662</td>
<td>290,521</td>
</tr>
<tr>
<td>Acquisitions</td>
<td>173,628</td>
<td>333,746</td>
<td>507,374</td>
<td>219,397</td>
<td>109,675</td>
<td>329,072</td>
</tr>
<tr>
<td>Collection Care</td>
<td>221,103</td>
<td>110,944</td>
<td>332,047</td>
<td>219,397</td>
<td>109,675</td>
<td>329,072</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>1,577,443</td>
<td>1,176,921</td>
<td>2,754,364</td>
<td>1,537,068</td>
<td>1,182,152</td>
<td>2,719,220</td>
</tr>
<tr>
<td><strong>Support costs</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Information Technology</td>
<td>136,849</td>
<td>140,632</td>
<td>277,481</td>
<td>130,063</td>
<td>110,709</td>
<td>240,772</td>
</tr>
<tr>
<td>Administration</td>
<td>313,066</td>
<td>69,348</td>
<td>382,414</td>
<td>285,422</td>
<td>49,565</td>
<td>334,987</td>
</tr>
<tr>
<td>Governance</td>
<td>78,266</td>
<td>35,331</td>
<td>113,597</td>
<td>71,356</td>
<td>29,973</td>
<td>101,329</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>528,181</td>
<td>245,311</td>
<td>773,492</td>
<td>486,841</td>
<td>190,247</td>
<td>677,088</td>
</tr>
<tr>
<td><strong>Total charitable activities</strong></td>
<td>2,105,624</td>
<td>1,422,232</td>
<td>3,527,856</td>
<td>2,023,909</td>
<td>1,372,399</td>
<td>3,396,308</td>
</tr>
<tr>
<td><strong>Total expenditure</strong></td>
<td>2,556,067</td>
<td>1,741,580</td>
<td>4,297,647</td>
<td>2,406,769</td>
<td>1,514,840</td>
<td>3,921,609</td>
</tr>
</tbody>
</table>

The Library’s charitable object is the advancement of education, learning and knowledge by the provision and maintenance in London of a library embracing the arts and humanities. The running of The London Library is a single activity to which various specialist departments contribute, rather than a set of independent activities. The costs attributable to these specialist departments are set out in the table above. Further details can be found in the Trustees’ Annual Report.

The Library’s Administration department comprises finance and human resources staff as well as the Librarian, the Deputy Librarian and the Finance Director, who are all members of the Executive Team. 20% of the expenditure incurred by this department is considered attributable to governance and is allocated accordingly.

<table>
<thead>
<tr>
<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Staff costs</td>
<td>Other costs</td>
<td>Total</td>
<td>Staff costs</td>
<td>Other costs</td>
<td>Total</td>
</tr>
<tr>
<td>Administration allocation</td>
<td>78,266</td>
<td>17,337</td>
<td>95,603</td>
<td>71,356</td>
<td>12,391</td>
<td>83,747</td>
</tr>
<tr>
<td>Audit fees</td>
<td>-</td>
<td>14,700</td>
<td>14,700</td>
<td>-</td>
<td>12,144</td>
<td>12,144</td>
</tr>
<tr>
<td>Legal and professional fees</td>
<td>-</td>
<td>3,294</td>
<td>3,294</td>
<td>-</td>
<td>5,438</td>
<td>5,438</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>78,266</td>
<td>35,331</td>
<td>113,597</td>
<td>71,356</td>
<td>29,973</td>
<td>101,329</td>
</tr>
</tbody>
</table>
Charitable activities continued

As explained in Note 9, the capital value of the Library's collection is not included in the accounts, but the cost of acquisitions is charged against income in the year that they are made. The table below summarises these acquisitions over the last five financial years. The acquisitions comprise monographs and periodicals but not digital or online materials.

### Acquisitions

<table>
<thead>
<tr>
<th>Five-year expenditure excluding digital material</th>
<th>2017</th>
<th>2016</th>
<th>2015</th>
<th>2014</th>
<th>2013</th>
</tr>
</thead>
<tbody>
<tr>
<td>Purchases</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Donations</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total acquisitions</td>
<td>291,563</td>
<td>273,220</td>
<td>295,652</td>
<td>291,076</td>
<td>298,482</td>
</tr>
<tr>
<td>Items added to current catalogue</td>
<td>7,431</td>
<td>7,961</td>
<td>8,151</td>
<td>8,124</td>
<td>8,956</td>
</tr>
</tbody>
</table>

### 7 TANGIBLE FIXED ASSETS

<table>
<thead>
<tr>
<th></th>
<th>Freehold Property</th>
<th>Plant and Equipment</th>
<th>Furniture and Fittings</th>
<th>Information Technology</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>At 1 April 2016</td>
<td>17,969,031</td>
<td>2,061,299</td>
<td>408,928</td>
<td>493,597</td>
<td>20,932,855</td>
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<tr>
<td>Additions</td>
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<td></td>
</tr>
<tr>
<td>Disposals</td>
<td></td>
<td></td>
<td>(6,843)</td>
<td></td>
<td>(6,843)</td>
</tr>
<tr>
<td>At 31 March 2017</td>
<td>17,969,031</td>
<td>2,061,299</td>
<td>408,928</td>
<td>498,774</td>
<td>20,938,032</td>
</tr>
</tbody>
</table>

| Depreciation             | £                 | £                   | £                      | £                      | £     |
| At 1 April 2016          | 868,413           | 796,236             | 83,751                 | 438,261                | 2,186,661 |
| Charge for the year      | 83,470            | 103,065             | 16,357                 | 26,040                 | 228,932 |
| Disposals                |                  |                     | (6,843)                |                        | (6,843) |
| At 31 March 2017         | 951,883           | 899,301             | 100,108                | 457,458                | 2,408,750 |

| Net book values          | £                 | £                   | £                      | £                      | £     |
| At 1 April 2016          | 17,100,618        | 1,265,063           | 325,177                | 55,336                 | 18,746,194 |
| At 31 March 2017         | 17,017,148        | 1,161,998           | 308,820                | 41,316                 | 18,529,282 |

### 8 FIXED ASSET INVESTMENTS

#### 8.1 Investment properties

<table>
<thead>
<tr>
<th></th>
<th>£</th>
<th>£</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market value at beginning of year</td>
<td>905,833</td>
<td>1,003,626</td>
</tr>
<tr>
<td>Sale proceeds</td>
<td>(61,856)</td>
<td>(97,793)</td>
</tr>
<tr>
<td>Revaluation gains</td>
<td>41,856</td>
<td></td>
</tr>
<tr>
<td>Market value at end of year</td>
<td><strong>885,833</strong></td>
<td><strong>905,833</strong></td>
</tr>
</tbody>
</table>

Investment properties comprise a café and a commercial art gallery rented to tenants on short leases, along with six long leasehold flats. All these properties are contiguous to the Library's operational property and share some structure and services with it.
8.2 Financial investments

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Market value at beginning of year</td>
<td>£5,783,107</td>
<td>£5,786,604</td>
</tr>
<tr>
<td>Cost of purchases</td>
<td>£8,002,000</td>
<td>£500,000</td>
</tr>
<tr>
<td>Disposals</td>
<td>£7,031,725</td>
<td>£-</td>
</tr>
<tr>
<td>Revaluation gains/(losses)</td>
<td>£616,972</td>
<td>£(503,497)</td>
</tr>
<tr>
<td><strong>Market value at end of year</strong></td>
<td><strong>£7,370,354</strong></td>
<td><strong>£5,783,107</strong></td>
</tr>
</tbody>
</table>

All the above investments are listed on a recognised stock exchange or are pooled funds valued by reference to such investments.

9 HERITAGE ASSETS

The Library’s collection comprises over one million books, mainly in the humanities, and its historic core reflects the world view of its Victorian founders. The Collection Development policy seeks to ensure that the Library acquires newly-published works of lasting value rather than ephemeral interest, as well as older materials which enhance its coverage of particular areas. The Library may also accept important items at risk of loss to scholars through the dispersal of other collections. The vast majority of books in the collection are available for loan, but some 40,000 of the oldest, rarest and most vulnerable items are secured within closed stacks and available for supervised consultation.

Although the Library takes great pride in its institutional heritage, fundamentally its collection is a working asset which is intended to be used by readers, writers and researchers rather than simply admired from a distance. The Collection Care team is responsible for ensuring that the collection is housed, maintained and preserved in a manner appropriate to this objective, as well as within the constraints imposed by a Grade II listed building and a degree of compromise between the needs of readers and the books themselves. Given these factors, as well as the fact that the cost of individual assets is below the capitalisation threshold, and most importantly the expense and difficulty of obtaining detailed valuations of the materials in its collection, the Trustees believe it is appropriate not to place a capital value on it in the accounts.

The Library’s unique subject-based catalogue lends itself particularly well to serendipitous discoveries from browsing, although it can create certain challenges. The implementation in 2014-2015 of the Primo/SFX discovery tool under the name Catalyst significantly enhanced the functionality of the online catalogue. The Bibliographic Services team are responsible for adding all new acquisitions to the online catalogue as well as the retrospective creation of digital records for items in the historic collection.

10 DEBTORS

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade debtors</td>
<td>£32,762</td>
<td>£37,073</td>
</tr>
<tr>
<td>Other debtors</td>
<td>£140,793</td>
<td>£115,738</td>
</tr>
<tr>
<td>Prepayments and accrued income</td>
<td>£675,906</td>
<td>£947,547</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>£849,461</strong></td>
<td><strong>£1,100,358</strong></td>
</tr>
</tbody>
</table>
11 Creditors

Amounts due within one year:

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Trade creditors</td>
<td>162,581</td>
<td>119,468</td>
</tr>
<tr>
<td>Taxes and social security</td>
<td>50,000</td>
<td>51,055</td>
</tr>
<tr>
<td>Other creditors</td>
<td>46,185</td>
<td>44,475</td>
</tr>
<tr>
<td>Accruals and deferred income*</td>
<td>50,997</td>
<td>121,174</td>
</tr>
<tr>
<td>Life membership fees deferred</td>
<td>138,113</td>
<td>140,199</td>
</tr>
<tr>
<td>Total</td>
<td>447,876</td>
<td>476,371</td>
</tr>
</tbody>
</table>

Amounts due after more than one year:

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Life membership fees deferred</td>
<td>560,928</td>
<td>549,540</td>
</tr>
<tr>
<td>Total</td>
<td>560,928</td>
<td>549,540</td>
</tr>
</tbody>
</table>

Income from life membership fees has been recognised over ten years from the year of receipt for new memberships up to 31 March 2016, and over 15 years for new memberships between 1 April 2016 and 31 March 2017. The Trustees keep this policy under review in the light of operational experience and general trends in life expectancy.

The movements in deferred life membership income are set out below:

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deferred income at start of year</td>
<td>689,739</td>
<td>707,124</td>
</tr>
<tr>
<td>Life membership fees received in year</td>
<td>157,423</td>
<td>134,564</td>
</tr>
<tr>
<td>Income recognised in year</td>
<td>(148,121)</td>
<td>(151,949)</td>
</tr>
<tr>
<td>Deferred income at and of year</td>
<td>699,041</td>
<td>689,739</td>
</tr>
<tr>
<td>To be recognised within one year</td>
<td>138,113</td>
<td>140,199</td>
</tr>
<tr>
<td>To be recognised after more than one year</td>
<td>560,928</td>
<td>549,540</td>
</tr>
<tr>
<td>Total as above</td>
<td>699,041</td>
<td>689,739</td>
</tr>
</tbody>
</table>

* The movements in other deferred income, being comprised of rental and event income, are set out below:

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Deferred income at start of year</td>
<td>62,226</td>
<td>13,438</td>
</tr>
<tr>
<td>Amount released to income in the year</td>
<td>(62,226)</td>
<td>(13,438)</td>
</tr>
<tr>
<td>Amount deferred in the year</td>
<td>6,137</td>
<td>62,226</td>
</tr>
<tr>
<td>Deferred income at the end of year</td>
<td>6,137</td>
<td>62,226</td>
</tr>
</tbody>
</table>
## 12 Analysis of Funds

<table>
<thead>
<tr>
<th></th>
<th>B/fwd 01 April 16</th>
<th>Income 2017</th>
<th>Expenditure 2017</th>
<th>Revaluations 2017</th>
<th>Transfers 2017</th>
<th>C/fwd 31 March 17</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Unrestricted funds</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Designated funds</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Tangible fixed assets</td>
<td>18,746,194</td>
<td>-</td>
<td>(228,933)</td>
<td>-</td>
<td>12,020</td>
<td>18,529,281</td>
</tr>
<tr>
<td>Investment properties</td>
<td>905,833</td>
<td>-</td>
<td>-</td>
<td>-</td>
<td>(20,000)</td>
<td>885,833</td>
</tr>
<tr>
<td><strong>Total designated funds</strong></td>
<td><strong>19,652,027</strong></td>
<td>-</td>
<td><strong>(228,933)</strong></td>
<td>-</td>
<td><strong>(7,980)</strong></td>
<td><strong>19,415,114</strong></td>
</tr>
<tr>
<td><strong>Free reserves</strong></td>
<td>4,257,986</td>
<td>3,798,597</td>
<td>(4,021,227)</td>
<td>324,207</td>
<td>7,980</td>
<td>4,367,543</td>
</tr>
<tr>
<td><strong>Subtotal Operating Fund</strong></td>
<td><strong>23,910,013</strong></td>
<td>3,798,597</td>
<td><strong>(4,250,160)</strong></td>
<td>324,207</td>
<td>-</td>
<td><strong>23,782,657</strong></td>
</tr>
<tr>
<td>Pension reserve</td>
<td>(1,633,000)</td>
<td>-</td>
<td>184,000</td>
<td>116,000</td>
<td>-</td>
<td>(1,333,000)</td>
</tr>
<tr>
<td><strong>Total unrestricted funds</strong></td>
<td><strong>22,277,013</strong></td>
<td>3,798,597</td>
<td><strong>(4,066,160)</strong></td>
<td>440,207</td>
<td>-</td>
<td><strong>22,449,657</strong></td>
</tr>
<tr>
<td><strong>Restricted funds</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Development Appeal Fund</td>
<td>112,403</td>
<td>89,845</td>
<td>-</td>
<td>11,869</td>
<td>-</td>
<td>214,117</td>
</tr>
<tr>
<td>The London Library Trust</td>
<td>345,291</td>
<td>17,604</td>
<td>(76,004)</td>
<td>36,460</td>
<td>-</td>
<td>323,351</td>
</tr>
<tr>
<td>Supported memberships</td>
<td>-</td>
<td>27,386</td>
<td>(27,386)</td>
<td>-</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Staff Benefit Fund</td>
<td>43,310</td>
<td>-</td>
<td>11,608</td>
<td>-</td>
<td>54,673</td>
<td></td>
</tr>
<tr>
<td>Drue Heinz Literary Fund</td>
<td>-</td>
<td>105,169</td>
<td>(105,169)</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Jaqueline Golden Endowment</td>
<td>-</td>
<td>13,348</td>
<td>(13,348)</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Westminster School Memberships</td>
<td>-</td>
<td>1,237</td>
<td>(1,237)</td>
<td>-</td>
<td>-</td>
<td></td>
</tr>
<tr>
<td>Other restricted funds</td>
<td>-</td>
<td>24,261</td>
<td>(8,098)</td>
<td>-</td>
<td>16,163</td>
<td></td>
</tr>
<tr>
<td><strong>Total restricted funds</strong></td>
<td><strong>501,004</strong></td>
<td><strong>278,850</strong></td>
<td><strong>(231,487)</strong></td>
<td><strong>59,937</strong></td>
<td>-</td>
<td><strong>608,304</strong></td>
</tr>
<tr>
<td><strong>Endowment funds</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Drue Heinz Literary Fund</td>
<td>2,196,732</td>
<td>477,050</td>
<td>-</td>
<td>231,958</td>
<td>-</td>
<td>2,905,740</td>
</tr>
<tr>
<td>Jacqueline Golden Endowment</td>
<td>278,802</td>
<td>-</td>
<td>-</td>
<td>29,439</td>
<td>-</td>
<td>308,241</td>
</tr>
<tr>
<td>Westminster School Memberships</td>
<td>25,829</td>
<td>-</td>
<td>-</td>
<td>2,727</td>
<td>-</td>
<td>28,556</td>
</tr>
<tr>
<td>Other endowments</td>
<td>100,000</td>
<td>-</td>
<td>-</td>
<td>10,559</td>
<td>-</td>
<td>110,559</td>
</tr>
<tr>
<td><strong>Total endowment funds</strong></td>
<td><strong>2,601,363</strong></td>
<td><strong>477,050</strong></td>
<td>-</td>
<td><strong>274,683</strong></td>
<td>-</td>
<td><strong>3,353,096</strong></td>
</tr>
<tr>
<td><strong>Total funds</strong></td>
<td><strong>25,379,380</strong></td>
<td><strong>4,554,497</strong></td>
<td><strong>(4,297,647)</strong></td>
<td><strong>774,827</strong></td>
<td>-</td>
<td><strong>26,411,057</strong></td>
</tr>
</tbody>
</table>
12 ANALYSIS OF FUNDS continued

Transfers
Transfers from free reserves to tangible fixed assets represent capital expenditure, as shown in Note 7 on page 22. Transfers from investment properties to free reserves represent the net gain/loss from the sale of such properties, as shown in Note 8. Transfers from restricted or endowment funds to free reserves reflect the discharge of the conditions applicable to the respective funds.

Unrestricted funds
Unrestricted funds comprise free reserves, designated funds and the pension reserve.

Free reserves are funds which are not subject to any legal or operational restriction as to their application. Designated funds are not subject to any externally imposed restriction but have been set aside for specific purposes and thus are not immediately available to be spent as income. They represent tangible fixed assets used in the business (Note 7) and investment properties (Note 8). Free reserves and designated funds together comprise the Operating Fund, which derives from the accumulated net surplus since inception.

The pension reserve represents the net actuarial surplus or deficit on the defined benefit pension scheme, calculated on the basis set out in Note 13.

Restricted funds
The Development Appeal Fund was launched in 2004 to meet the costs of the Library's purchase of Duchess House (renamed "T S Eliot House" in 2008), its fitting out and other development works to the Library (The Development Project).

The Staff Benefit Fund has been built from gifts and investment income. It is used to make discretionary payments to or on behalf of staff in cases of need or hardship.

Funds held within The London Library Trust (LLT) are restricted for the provision of Carlyle memberships, a particular category of supported membership. Since April 2012 the assets of LLT have been held as a restricted fund within the Library which is its sole trustee.

The Drue Heinz Literary Fund, the Jaqueline Golden Endowment and the Westminster School Memberships represent the investment income, along with the associated expenditure, generated from the corresponding invested endowment funds detailed below.

Other restricted funds comprise grants, donations and legacies received for specific purposes, of which supported membership is among the most important.

Endowment funds
The Drue Heinz Literary Fund comprises gifts made by the Drue Heinz Foundation to provide an endowment yielding investment income which meets the cost of many of the Library's book purchases. As such the income from it is treated as restricted, but is fully spent each year. The Fund was augmented during 2016-2017 by a further donation of £477,050 ($600,000).

The Jaqueline Golden Endowment was established by a gift from Lewis Golden, a distinguished former Treasurer and Chairman of the Library, in memory of his late wife Jacqueline, and has been supplemented by subsequent donations. The income from this endowment is available for the general purposes of the Library.

A donation from Basil Postan during 2013-2014 established an expendable endowment to fund a membership award scheme for students at Westminster School. The notional fee income relating to these memberships is included in restricted expenditure for the five-year duration of the scheme, after which the balance in the fund will be added to the Jaqueline Golden Endowment.

A new endowment was received in 2015-2016 from a donor who wishes to remain anonymous, to provide financial support to applicants for Library membership aged between 18 and 30, particularly those from Latin America.
Net assets by fund

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted 2017 £</th>
<th>Restricted 2017 £</th>
<th>Endowment 2017 £</th>
<th>Total 2017 £</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tangible fixed assets</td>
<td>18,529,282</td>
<td>-</td>
<td>-</td>
<td>18,529,282</td>
</tr>
<tr>
<td>Investment properties</td>
<td>885,833</td>
<td>-</td>
<td>-</td>
<td>885,833</td>
</tr>
<tr>
<td>Financial investments</td>
<td>3,498,550</td>
<td>518,708</td>
<td>3,353,096</td>
<td>7,370,354</td>
</tr>
<tr>
<td>Debtors and prepayments</td>
<td>849,461</td>
<td>-</td>
<td>-</td>
<td>849,461</td>
</tr>
<tr>
<td>Bank balances and cash in hand</td>
<td>1,028,335</td>
<td>89,596</td>
<td>-</td>
<td>1,117,931</td>
</tr>
<tr>
<td>Creditors: due within one year</td>
<td>(447,876)</td>
<td>-</td>
<td>-</td>
<td>(447,876)</td>
</tr>
<tr>
<td>Creditors: due after more than one year</td>
<td>(560,928)</td>
<td>-</td>
<td>-</td>
<td>(560,928)</td>
</tr>
<tr>
<td>Pension liability</td>
<td>(1,333,000)</td>
<td>-</td>
<td>-</td>
<td>(1,333,000)</td>
</tr>
<tr>
<td><strong>Net assets</strong></td>
<td><strong>22,449,657</strong></td>
<td><strong>608,304</strong></td>
<td><strong>3,353,096</strong></td>
<td><strong>26,411,057</strong></td>
</tr>
</tbody>
</table>

13 PENSION ARRANGEMENTS

(a) Group Personal Pension Plan (GPPP)

The Group Personal Pension Plan is provided by Scottish Widows and commenced on 1 April 2011 when the Library's defined benefit scheme closed to further accrual. Costs for the year ended 31 March 2017 totalled £89,624 (2016: £84,863).

(b) Staff Superannuation Fund of The London Library (SSF)

The SSF is a defined benefit scheme established under a definitive trust deed, which closed to new entrants and to further accrual on 1 April 2011. The assets of the scheme are held independently from those of the Library, and are vested in six named trustees, including two nominated by members of staff.

In the year ended 31 March 2017, the contribution by the Library was £235,500 (2016: £215,950), in accordance with the recommendations of the Fund's actuary. With effect from 1 April 2011 scheme expenses are paid direct by The London Library and the contribution therefore relates purely to reduction in past service deficits. The expected contribution for the financial year ending 31 March 2018 is £242,500.

A valuation of the Fund has been prepared as at 31 March 2017 in accordance with FRS102. The major assumptions used are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Discount rate</td>
<td>2.6% per annum</td>
<td>3.4% per annum</td>
</tr>
<tr>
<td>Price inflation (RPI)</td>
<td>3.4% per annum</td>
<td>3.0% per annum</td>
</tr>
<tr>
<td>Price inflation (CPI)</td>
<td>2.4% per annum</td>
<td>2.0% per annum</td>
</tr>
<tr>
<td>Increases to pensionable pay</td>
<td>N/A</td>
<td>N/A</td>
</tr>
<tr>
<td>Increases to pensions in payment:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Before 30/4/2007 (RPI capped at 5%)</td>
<td>3.2% per annum</td>
<td>2.9% per annum</td>
</tr>
<tr>
<td>From 1/5/2007 (RPI capped at 2.5%)</td>
<td>2.1% per annum</td>
<td>2.0% per annum</td>
</tr>
<tr>
<td>GMP accrued after 6/4/1988 (CPI capped at 3%)</td>
<td>2.0% per annum</td>
<td>1.8% per annum</td>
</tr>
<tr>
<td>Increases to pensions in deferment (employed members):</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Non-GMP earned before 6/4/2009 (RPI capped at 5%)</td>
<td>3.4% per annum</td>
<td>3.0% per annum</td>
</tr>
<tr>
<td>Non-GMP earned after 6/4/2009 (RPI capped at 2.5%)</td>
<td>2.5% per annum</td>
<td>2.5% per annum</td>
</tr>
</tbody>
</table>
13 PENSION ARRANGEMENTS continued

GMP

Increases to pensions in deferment (non-employed members):

Non-GMP earned before 6/4/2009 (CPI capped at 5%)
2.4% per annum
Non-GMP earned after 6/4/2009 (CPI capped at 2.5%)
2.4% per annum
GMP
Fixed rates

Mortality

– Before retirement
No allowance
– After retirement
S2PA year of birth tables with CMI_2016 projections and a 1.25% pa long-term rate of improvement

Commutation
100% of members commute 25% of their pension at current rates

Life expectancies from age 65:

<table>
<thead>
<tr>
<th>Age Group</th>
<th>Male 2017</th>
<th>Male 2016</th>
<th>Female 2017</th>
<th>Female 2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Male 65</td>
<td>88</td>
<td>87</td>
<td>Female 65</td>
<td>89</td>
</tr>
<tr>
<td>Male 45</td>
<td>89</td>
<td>89</td>
<td>Female 45</td>
<td>91</td>
</tr>
</tbody>
</table>

Reconciliation of funded status to Balance Sheet

<table>
<thead>
<tr>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Defined benefit obligation</td>
<td>10,733,000</td>
</tr>
<tr>
<td>Less: Fair value of plan assets</td>
<td>9,400,000</td>
</tr>
<tr>
<td><strong>Net defined benefit liability</strong></td>
<td><strong>1,333,000</strong></td>
</tr>
</tbody>
</table>

The fair value of the assets held and their relative weightings for the year commencing 31 March were:

<table>
<thead>
<tr>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>£</td>
<td>% weight</td>
</tr>
<tr>
<td>Equities</td>
<td>4,548,000</td>
</tr>
<tr>
<td>Alternatives</td>
<td>443,000</td>
</tr>
<tr>
<td>Government Bonds</td>
<td>2,366,000</td>
</tr>
<tr>
<td>Corporate Bonds</td>
<td>1,233,000</td>
</tr>
<tr>
<td>LDI assets</td>
<td>854,000</td>
</tr>
<tr>
<td>Cash/other</td>
<td>(44,000)</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>9,400,000</strong></td>
</tr>
</tbody>
</table>

The following amounts have been recognised in the Statement of Financial Activities as part of Total Expenditure:

<table>
<thead>
<tr>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Net interest expense on defined benefit liability</td>
<td>52,000</td>
</tr>
<tr>
<td><strong>Total net expense / (income) recognised</strong></td>
<td><strong>52,000</strong></td>
</tr>
</tbody>
</table>
The following amounts have been recognised in the Statement of Financial Activities below Total Expenditure as Actuarial gains and losses:

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Remeasurement – gain/(loss) on liabilities due to experience</td>
<td>573,000</td>
<td>90,000</td>
</tr>
<tr>
<td>Remeasurement – (loss)/gain on liabilities due to assumption changes</td>
<td>(1,877,000)</td>
<td>105,000</td>
</tr>
<tr>
<td>Remeasurement – return on assets excluding interest income</td>
<td>1,420,000</td>
<td>(332,000)</td>
</tr>
<tr>
<td><strong>Actuarial (loss)/gain for the year</strong></td>
<td><strong>116,000</strong></td>
<td><strong>(137,000)</strong></td>
</tr>
</tbody>
</table>

Reconciliation of defined benefit obligation over the year:

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Defined benefit obligation at start of year</td>
<td>9,356,000</td>
<td>9,491,000</td>
</tr>
<tr>
<td>Interest expense on defined benefit obligation</td>
<td>314,000</td>
<td>309,000</td>
</tr>
<tr>
<td>Remeasurement – (gain)/loss on liabilities due to experience</td>
<td>(573,000)</td>
<td>(90,000)</td>
</tr>
<tr>
<td>Remeasurement – loss/(gain) on liabilities due to assumption changes</td>
<td>1,877,000</td>
<td>(105,000)</td>
</tr>
<tr>
<td>Benefits paid</td>
<td>(241,000)</td>
<td>(249,000)</td>
</tr>
<tr>
<td><strong>Liabilities at end of year</strong></td>
<td><strong>10,733,000</strong></td>
<td><strong>9,356,000</strong></td>
</tr>
</tbody>
</table>

Reconciliation of fair value of assets over the year:

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fair value of assets at start of year</td>
<td>7,723,000</td>
<td>7,830,000</td>
</tr>
<tr>
<td>Interest income on assets</td>
<td>262,000</td>
<td>258,000</td>
</tr>
<tr>
<td>Remeasurement – return on assets excluding interest income</td>
<td>1,420,000</td>
<td>(332,000)</td>
</tr>
<tr>
<td>Contributions by employer</td>
<td>236,000</td>
<td>216,000</td>
</tr>
<tr>
<td>Benefits paid</td>
<td>(241,000)</td>
<td>(249,000)</td>
</tr>
<tr>
<td><strong>Fair value of assets at end of year</strong></td>
<td><strong>9,400,000</strong></td>
<td><strong>7,732,000</strong></td>
</tr>
<tr>
<td><strong>Return on assets</strong></td>
<td><strong>1,682,000</strong></td>
<td><strong>(74,000)</strong></td>
</tr>
</tbody>
</table>

Reconciliation of funded position

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net defined benefit liability at start of year</td>
<td>1,633,000</td>
<td>1,661,000</td>
</tr>
<tr>
<td>Expense recognised in total expenditure</td>
<td>52,000</td>
<td>51,000</td>
</tr>
<tr>
<td>Actuarial (gain)/loss recognised below total expenditure</td>
<td>(116,000)</td>
<td>137,000</td>
</tr>
<tr>
<td>Contributions by employer</td>
<td>(236,000)</td>
<td>(216,000)</td>
</tr>
<tr>
<td><strong>Net defined benefit liability at end of year</strong></td>
<td><strong>1,333,000</strong></td>
<td><strong>1,633,000</strong></td>
</tr>
</tbody>
</table>
14 TRANSACTIONS WITH TRUSTEES AND OTHER RELATED PARTIES

Trustees received no remuneration in connection with their trusteeship (2016: £Nil). No reimbursements were paid to trustees for expenses incurred on Library business (2016: £Nil). All Trustees are members of the Library and enjoy the associated benefits on the same basis as all other members. Unrestricted donations from Trustees and other related parties during the year totalled £25,488 (2016: £30,446).

Related parties include Key Management Personnel, which comprises the Trustees and the Executive Team. Aggregate benefits for these staff are shown in Note 15 below. The Library’s Defined Benefit pension scheme (the Staff Superannuation Fund) constitutes a related party, and full details are set out in Note 13 on pages 27-29. Otherwise the Trustees believe there are no transactions with related parties that require disclosure.

15 STAFF COSTS

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>Staff costs comprise:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Gross salaries and wages</td>
<td>2,106,421</td>
<td>1,993,421</td>
</tr>
<tr>
<td>National Insurance</td>
<td>194,522</td>
<td>185,534</td>
</tr>
<tr>
<td>Pension costs</td>
<td>255,124</td>
<td>227,814</td>
</tr>
<tr>
<td>Total</td>
<td><strong>2,556,067</strong></td>
<td><strong>2,406,769</strong></td>
</tr>
</tbody>
</table>

Total employee benefits for Key Management Personnel totalled £319,592 (2016: £307,386). In addition, the balance of interest-free season ticket loans due from Key Management Personnel at 31 March 2017 totalled £378 (2016: £1,508).

In addition to the above, expenditure totalling £17,671 (2016: £13,446) on staff training and related consultancy is included within other costs under Administration in Note 6 to these accounts.

16 EMPLOYEES

The average number of employees for the year was as follows:

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Buildings and Facilities Management</td>
<td>6.5</td>
<td>6.5</td>
</tr>
<tr>
<td>Member Services</td>
<td>18.8</td>
<td>18.9</td>
</tr>
<tr>
<td>Bibliographic Services</td>
<td>7.2</td>
<td>7.5</td>
</tr>
<tr>
<td>Books, periodicals and online subscriptions</td>
<td>4.0</td>
<td>4.0</td>
</tr>
<tr>
<td>Collection Care</td>
<td>7.0</td>
<td>7.5</td>
</tr>
<tr>
<td>Information Technology</td>
<td>3.0</td>
<td>3.0</td>
</tr>
<tr>
<td>Administration and Finance</td>
<td>6.5</td>
<td>5.7</td>
</tr>
<tr>
<td>Marketing and Communications</td>
<td>2.5</td>
<td>2.6</td>
</tr>
<tr>
<td>Fundraising</td>
<td>6.8</td>
<td>5.0</td>
</tr>
<tr>
<td>Total</td>
<td><strong>62.3</strong></td>
<td><strong>60.7</strong></td>
</tr>
</tbody>
</table>
The number of employees who received remuneration exceeding £60,000 and their pension benefits are as follows:

<table>
<thead>
<tr>
<th>Range</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>£60,000 – £70,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of employees</td>
<td>-</td>
<td>1</td>
</tr>
<tr>
<td>Employer’s contributions to Group Personal Pension Plan</td>
<td>-</td>
<td>£3,785</td>
</tr>
<tr>
<td>£70,000 – £80,000</td>
<td>2</td>
<td>2</td>
</tr>
<tr>
<td>Employer’s contributions to Group Personal Pension Plan</td>
<td>£8,741</td>
<td>£8,641</td>
</tr>
</tbody>
</table>

17 COMMITMENTS UNDER OPERATING LEASES

Future minimum lease payments under non-cancellable operating leases are as follows:

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>£</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Due within one year</td>
<td>5,172</td>
<td>5,172</td>
</tr>
<tr>
<td>Due between two and five years</td>
<td>4,212</td>
<td>9,383</td>
</tr>
<tr>
<td>Total</td>
<td>9,384</td>
<td>14,555</td>
</tr>
</tbody>
</table>

The operating lease expense in the year was £5,712 (2016: £4,212).

18 RECONCILIATION OF NET INCOME/(EXPENDITURE) TO NET CASH FLOW FROM OPERATING ACTIVITIES

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>£</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Net income/(expenditure)</td>
<td>915,677</td>
<td>(178,709)</td>
</tr>
<tr>
<td>Depreciation</td>
<td>228,933</td>
<td>231,554</td>
</tr>
<tr>
<td>(Gains)/losses on investments</td>
<td>(658,828)</td>
<td>503,497</td>
</tr>
<tr>
<td>Dividends, interest and rent from investments</td>
<td>(331,757)</td>
<td>(317,675)</td>
</tr>
<tr>
<td>Decrease/(increase) in debtors</td>
<td>250,896</td>
<td>(150,582)</td>
</tr>
<tr>
<td>(Decrease)/increase in creditors</td>
<td>(17,108)</td>
<td>37,128</td>
</tr>
<tr>
<td>Pension contributions less expense recognised</td>
<td>(184,000)</td>
<td>(165,000)</td>
</tr>
<tr>
<td>Net cash flow from operating activities</td>
<td><strong>203,813</strong></td>
<td><strong>(39,787)</strong></td>
</tr>
</tbody>
</table>
# 19 PRIOR YEAR STATEMENT OF FINANCIAL ACTIVITIES

<table>
<thead>
<tr>
<th></th>
<th>Unrestricted Funds</th>
<th>Restricted Funds</th>
<th>Endowment Funds</th>
<th>Total Funds</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2016 (£)</td>
<td>2016 (£)</td>
<td>2016 (£)</td>
<td>2016 (£)</td>
</tr>
<tr>
<td><strong>INCOME AND ENDOWMENTS FROM:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Donations and legacies</td>
<td>500,402</td>
<td>52,190</td>
<td>777,444</td>
<td>1,330,036</td>
</tr>
<tr>
<td>Charitable activities</td>
<td>2,581,850</td>
<td>-</td>
<td>-</td>
<td>2,581,850</td>
</tr>
<tr>
<td>Other trading activities</td>
<td>16,836</td>
<td>-</td>
<td>-</td>
<td>16,836</td>
</tr>
<tr>
<td>Investments</td>
<td>202,546</td>
<td>24,587</td>
<td>90,542</td>
<td>317,675</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>3,301,634</td>
<td>76,777</td>
<td>867,986</td>
<td>4,246,397</td>
</tr>
<tr>
<td><strong>EXPENDITURE ON:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Raising funds</td>
<td>525,301</td>
<td>-</td>
<td>-</td>
<td>525,301</td>
</tr>
<tr>
<td>Charitable activities</td>
<td>3,305,020</td>
<td>2,026</td>
<td>89,262</td>
<td>3,396,308</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>3,830,321</td>
<td>2,026</td>
<td>89,262</td>
<td>3,291,609</td>
</tr>
<tr>
<td><strong>NET INCOME / (EXPENDITURE)</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>before investment (losses) / gains</td>
<td>(528,687)</td>
<td>74,751</td>
<td>778,724</td>
<td>324,788</td>
</tr>
<tr>
<td>Net (losses)/gains on investments</td>
<td>(280,125)</td>
<td>(48,034)</td>
<td>(175,338)</td>
<td>(503,497)</td>
</tr>
<tr>
<td><strong>NET INCOME / (EXPENDITURE)</strong></td>
<td>(808,812)</td>
<td>26,717</td>
<td>603,386</td>
<td>(178,709)</td>
</tr>
<tr>
<td>Transfers between funds</td>
<td>113,568</td>
<td>(112,328)</td>
<td>(1,240)</td>
<td>-</td>
</tr>
<tr>
<td><strong>OTHER RECOGNISED GAINS &amp; LOSSES:</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Actuarial (losses)/gains on defined benefit pension scheme</td>
<td>(137,000)</td>
<td>-</td>
<td>-</td>
<td>(137,000)</td>
</tr>
<tr>
<td><strong>NET MOVEMENT IN FUNDS</strong></td>
<td>(832,244)</td>
<td>(85,611)</td>
<td>602,146</td>
<td>(315,709)</td>
</tr>
<tr>
<td><strong>FUNDS AT START OF YEAR</strong></td>
<td>23,109,257</td>
<td>586,615</td>
<td>1,999,217</td>
<td>25,695,089</td>
</tr>
<tr>
<td><strong>FUNDS AT END OF YEAR</strong></td>
<td>22,109,257</td>
<td>501,004</td>
<td>2,601,363</td>
<td>25,379,380</td>
</tr>
</tbody>
</table>
The Trustees thank the following supporters, and our anonymous donors, for their generous contributions to The London Library received during the year ended 31 March 2017.

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This year we would like to thank all those who helped make our 175th anniversary celebrations so memorable, including our exceptional programme directors and talented contributors to Words in The Square (many of whom graciously waived any fee for taking part), event managers, staff and volunteers, all those who purchased tickets and made additional donations, our bookselling partner Hatchards, and our publishing partner in Found on the Shelves, Pushkin Press.

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Charlotte Nassim
In memory of Rosemarie Nathanson
Brian Naylor
Dr Catherine Nelson
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Andrew Wickham
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Frederick Wilson
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Vivienne Woollf

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Reuben Foundation

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Thomas Bushill
During the year the Library also received a substantial grant from the trustees of the R M Chambers Settlement.

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The literary estates of John Cornforth, Robert McNair Scott, Ian Parsons and Reay Tannahill, have provided income from royalties.

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Thanks are also due to various government and official bodies, learned societies, institutions and firms, and other libraries and publishers who have given their publications, and to the many donors of books and other items who are listed below:

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Akademie der Wissenschaften und der Literatur, Mainz
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David Allin
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Art Fund
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Neal Ascherson
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The Authors’ Club
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Claudia Azzola
The Estate of Francis Bacon
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J C Walton
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Malcolm D Lambert
Davina Langdale
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H M Liversidge in memory of Denise Silvester Carr
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Robert Low
Andrew Lumsden
Inez T P A Lynn
Annmarie and Charles MacKay
Stephen MacManus
Macmillan
Eleanor Margolies
E Anthony Martin
Andrew Martin
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Susan Mayor
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Lin Mehmel
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The Powys Society
Proquest
Prospect Books
David Pryce-Jones
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The Writers’ Guild of Great Britain
Ann Wroe
The Francis Brett Young Society
## TEN-YEAR FINANCIAL SUMMARIES

Unrestricted funds only (prior to gains/losses on investments)

<table>
<thead>
<tr>
<th>Year</th>
<th>Membership income</th>
<th>Investment income</th>
<th>Other income</th>
<th>Library expenses</th>
<th>Net surplus/deficit</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
<td>£</td>
</tr>
<tr>
<td>2008</td>
<td>1,853,098</td>
<td>331,553</td>
<td>474,722</td>
<td>2,794,099</td>
<td>(134,726)</td>
</tr>
<tr>
<td>2009</td>
<td>2,515,403</td>
<td>296,077</td>
<td>265,762</td>
<td>3,121,744</td>
<td>(44,502)</td>
</tr>
<tr>
<td>2010</td>
<td>2,490,112</td>
<td>183,910</td>
<td>323,286</td>
<td>3,182,323</td>
<td>(185,015)</td>
</tr>
<tr>
<td>2011</td>
<td>2,496,530</td>
<td>227,826</td>
<td>815,023</td>
<td>2,766,310</td>
<td>773,069</td>
</tr>
<tr>
<td>2012</td>
<td>2,575,253</td>
<td>241,450</td>
<td>413,897</td>
<td>2,953,277</td>
<td>277,323</td>
</tr>
<tr>
<td>2013</td>
<td>2,496,969</td>
<td>221,508</td>
<td>667,319</td>
<td>3,120,858</td>
<td>264,938</td>
</tr>
<tr>
<td>2014</td>
<td>2,528,553</td>
<td>155,660</td>
<td>1,077,265</td>
<td>3,533,839</td>
<td>(227,639)</td>
</tr>
<tr>
<td>2015</td>
<td>2,574,858</td>
<td>192,790</td>
<td>436,981</td>
<td>3,655,904</td>
<td>(451,275)</td>
</tr>
<tr>
<td>2016</td>
<td>2,581,850</td>
<td>202,546</td>
<td>517,238</td>
<td>3,830,321</td>
<td>(528,687)</td>
</tr>
<tr>
<td>2017</td>
<td>2,662,734</td>
<td>180,610</td>
<td>950,558</td>
<td>4,166,093</td>
<td>(372,190)</td>
</tr>
</tbody>
</table>

1. 2008 figures re-stated in respect of deemed investment income and management fees
2. 2010 figures re-stated to exclude grant from The London Library Trust eliminated on consolidation
3. From 2013 some investment income and expenditure are reallocated to endowment funds (excluded from these figures)
4. Re-stated for new Charities SORP (FRS102) and changes to accounting policies

## LIBRARY FUNDS

<table>
<thead>
<tr>
<th>Year</th>
<th>Free reserves (excluding Pension Reserve)</th>
<th>Pension Reserve</th>
<th>Free reserves (including Pension Reserve)</th>
<th>Designated funds #</th>
<th>Total unrestricted</th>
<th>Restricted funds</th>
<th>Endowment funds</th>
<th>Total funds</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
<td>£000</td>
</tr>
<tr>
<td>2008</td>
<td>5,196</td>
<td>(984)</td>
<td>4,212</td>
<td>13,957</td>
<td>18,169</td>
<td>1,706</td>
<td>19,875</td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td>3,535</td>
<td>(1,857)</td>
<td>1,678</td>
<td>15,303</td>
<td>16,981</td>
<td>3,089</td>
<td>20,070</td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td>3,178</td>
<td>(1,717)</td>
<td>1,461</td>
<td>20,429</td>
<td>21,890</td>
<td>1,657</td>
<td>23,547</td>
<td></td>
</tr>
<tr>
<td>2011</td>
<td>3,373</td>
<td>(917)</td>
<td>2,456</td>
<td>21,686</td>
<td>24,142</td>
<td>1,662</td>
<td>25,804</td>
<td></td>
</tr>
<tr>
<td>2012</td>
<td>4,291</td>
<td>(1,815)</td>
<td>2,476</td>
<td>21,690</td>
<td>24,166</td>
<td>616</td>
<td>1,437</td>
<td>26,219</td>
</tr>
<tr>
<td>2013</td>
<td>4,653</td>
<td>(1,871)</td>
<td>2,782</td>
<td>22,099</td>
<td>24,881</td>
<td>676</td>
<td>1,830</td>
<td>27,387</td>
</tr>
<tr>
<td>2014</td>
<td>4,940</td>
<td>(1,495)</td>
<td>3,445</td>
<td>20,148</td>
<td>23,593</td>
<td>586</td>
<td>1,893</td>
<td>26,072</td>
</tr>
<tr>
<td>2015</td>
<td>4,834</td>
<td>(1,661)</td>
<td>3,173</td>
<td>19,936</td>
<td>23,109</td>
<td>587</td>
<td>1,999</td>
<td>25,695</td>
</tr>
<tr>
<td>2016</td>
<td>4,258</td>
<td>(1,633)</td>
<td>2,625</td>
<td>19,652</td>
<td>22,277</td>
<td>501</td>
<td>2,601</td>
<td>25,379</td>
</tr>
<tr>
<td>2017</td>
<td>4,409</td>
<td>(1,333)</td>
<td>3,076</td>
<td>19,373</td>
<td>22,449</td>
<td>604</td>
<td>3,358</td>
<td>26,411</td>
</tr>
</tbody>
</table>

1. Including tangible fixed assets and investment properties
2. Financial year ended 31 March
3. 2012 figures re-stated in respect of Drue Heinz Literary Fund (reclassified as endowment)
4. Re-stated for new Charities SORP (FRS102) and changes to accounting policies

## COMMENT

The negative pension reserves shown above relate to the long term funding position of the pension scheme and not to immediate cash shortfalls. The large increase in designated funds over the period reflects capital expenditure on the Development Project which is financed either by capital fundraising or “windfall” income from legacies and similar sources, and is not drawn from free reserves.
MEMBERSHIP AT YEAR-End

<table>
<thead>
<tr>
<th>Membership Type</th>
<th>2017</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ordinary members</td>
<td>4,243</td>
<td>4,259</td>
</tr>
<tr>
<td>Spouse/partner members</td>
<td>265</td>
<td>275</td>
</tr>
<tr>
<td>Young Person members</td>
<td>325</td>
<td>331</td>
</tr>
<tr>
<td>Supported members (Trust/Byelaw 9)</td>
<td>354</td>
<td>354</td>
</tr>
<tr>
<td>Institutional members</td>
<td>152</td>
<td>147</td>
</tr>
<tr>
<td><strong>Subtotal annual members</strong></td>
<td>5,339</td>
<td>5,366</td>
</tr>
<tr>
<td>Life members</td>
<td>1,230</td>
<td>1,247</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>6,569</td>
<td>6,613</td>
</tr>
</tbody>
</table>

TEN-YEAR SUMMARY OF MEMBERSHIP

<table>
<thead>
<tr>
<th>Year</th>
<th>Number at year-end</th>
<th>New members during year</th>
<th>Withdrawals during year</th>
<th>Increase/ (Decrease)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>7,823</td>
<td>660</td>
<td>(862)</td>
<td>(202)</td>
</tr>
<tr>
<td>2009</td>
<td>6,998</td>
<td>530</td>
<td>(1,355)</td>
<td>(825)</td>
</tr>
<tr>
<td>2010</td>
<td>6,764</td>
<td>491</td>
<td>(725)</td>
<td>(234)</td>
</tr>
<tr>
<td>2011</td>
<td>7,137</td>
<td>984</td>
<td>(611)</td>
<td>373</td>
</tr>
<tr>
<td>2012</td>
<td>7,155</td>
<td>839</td>
<td>(821)</td>
<td>18</td>
</tr>
<tr>
<td>2013</td>
<td>7,147</td>
<td>819</td>
<td>(827)</td>
<td>(8)</td>
</tr>
<tr>
<td>2014</td>
<td>7,009</td>
<td>745</td>
<td>(883)</td>
<td>(138)</td>
</tr>
<tr>
<td>2015</td>
<td>6,708</td>
<td>697</td>
<td>(998)</td>
<td>(301)</td>
</tr>
<tr>
<td>2016</td>
<td>6,613</td>
<td>692</td>
<td>(787)</td>
<td>(95)</td>
</tr>
<tr>
<td>2017</td>
<td>6,659</td>
<td>747</td>
<td>(791)</td>
<td>(44)</td>
</tr>
<tr>
<td><strong>Average</strong></td>
<td>6,992</td>
<td>720</td>
<td>(866)</td>
<td>(146)</td>
</tr>
</tbody>
</table>

USE OF THE LIBRARY

<table>
<thead>
<tr>
<th>Year</th>
<th>Expenditure in year (£)</th>
<th>Increase/ (Decrease) (£)</th>
<th>Book Purchases 1</th>
<th>Number in year</th>
<th>Increase/ (Decrease)</th>
<th>Books Catalogued</th>
<th>Borrowed in year</th>
<th>Circulation 2</th>
<th>Increase/ (Decrease)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2008</td>
<td>246,295</td>
<td>7,187</td>
<td>9,200</td>
<td>66</td>
<td></td>
<td>84,658</td>
<td>4,019</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2009</td>
<td>266,354</td>
<td>20,059</td>
<td>11,250</td>
<td>2,050</td>
<td></td>
<td>82,490</td>
<td>(2,168)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2010</td>
<td>278,194</td>
<td>11,840</td>
<td>9,050</td>
<td>(2,200)</td>
<td></td>
<td>81,317</td>
<td>(1,173)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2011</td>
<td>276,568</td>
<td>(1,626)</td>
<td>8,123</td>
<td>(927)</td>
<td></td>
<td>85,685</td>
<td>4,368</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2012</td>
<td>298,477</td>
<td>7,942</td>
<td>9,716</td>
<td>1,593</td>
<td></td>
<td>85,360</td>
<td>(325)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2013</td>
<td>306,419</td>
<td>7,942</td>
<td>8,956</td>
<td>(760)</td>
<td></td>
<td>82,861</td>
<td>(2,499)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2014</td>
<td>316,947</td>
<td>10,528</td>
<td>8,124</td>
<td>(832)</td>
<td></td>
<td>80,386</td>
<td>(2,475)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2015</td>
<td>314,896</td>
<td>(2,051)</td>
<td>8,151</td>
<td>27</td>
<td></td>
<td>76,768</td>
<td>(3,618)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2016</td>
<td>310,785</td>
<td>(4,111)</td>
<td>7,961</td>
<td>(190)</td>
<td></td>
<td>71,437</td>
<td>(5,331)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>2017</td>
<td>333,746</td>
<td>22,961</td>
<td>7,431</td>
<td>(530)</td>
<td></td>
<td>66,559</td>
<td>(4,878)</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

1 Including periodicals and digital/online materials
2 Circulation records only books borrowed and not books used only within the Library
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