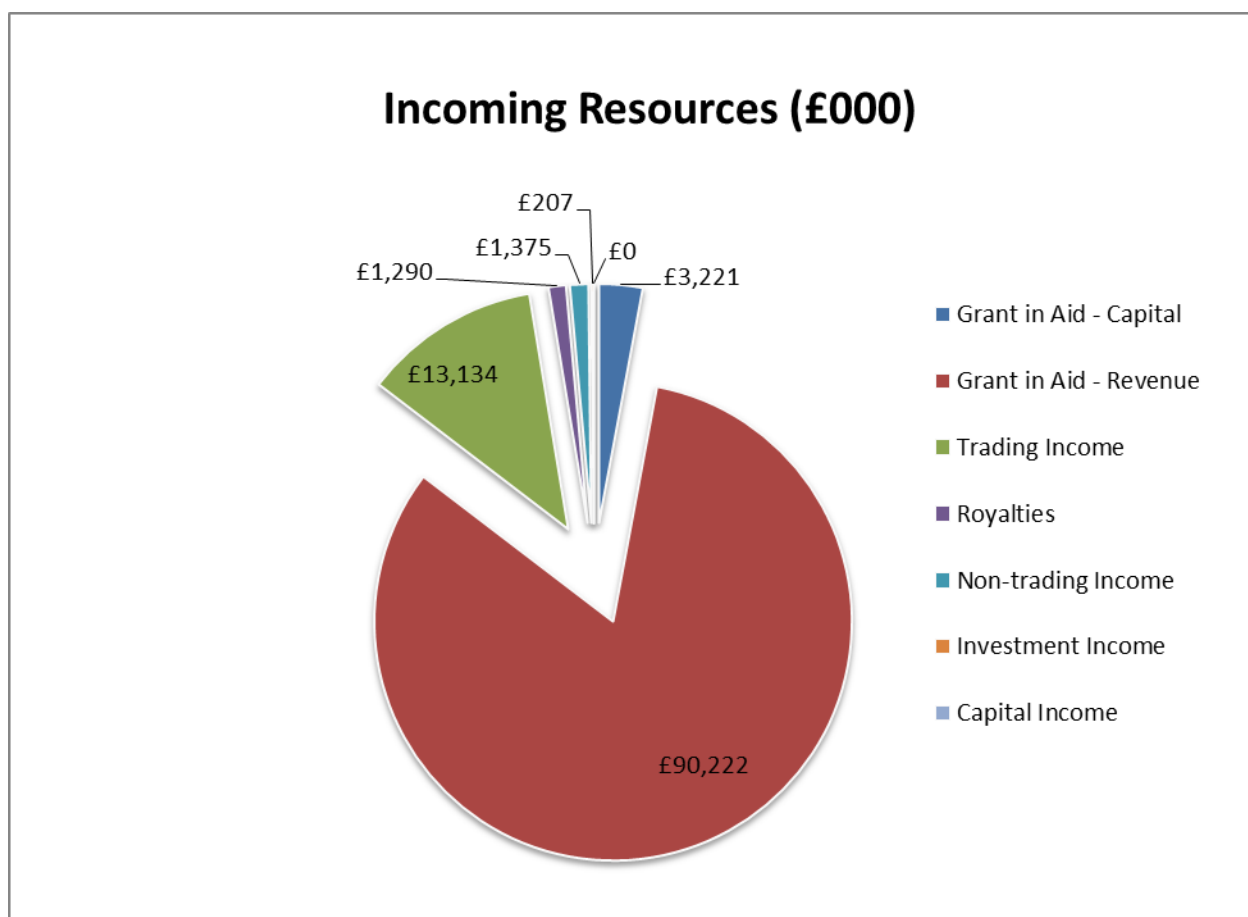


## THE BRITISH LIBRARY FINANCIAL INFORMATION AND BUDGET 2017/18

### Source of Funding

The British Library's (BL) main source of funds is received in the form of Grant-in-Aid, allocated by the Department of Culture, Media and Sport. It supplements this income with self-generated revenue from priced services (see Publications scheme for full list of services and charging policies), royalties and donations. The breakdown of funding for 17/18 is shown below (based on Quarter 1 Forecast):



The following table shows Grant-in-Aid funding agreed with DCMS for the current financial year. The funding for the next three years will be known once the Government Spending Review has taken place later this year.

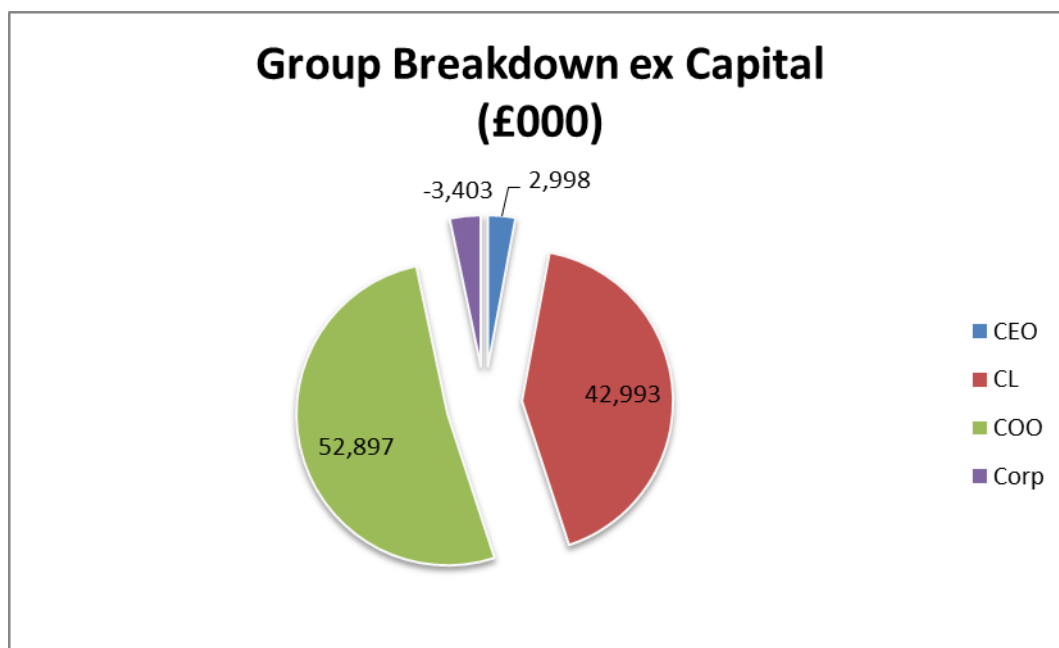
	2017/18 Agreed	2018/19 Agreed	2019/20 Agreed
DCMS Revenue Grant-in-Aid	£90,222k*	£90,222k*	£89,822k
DCMS Capital Grant-in-Aid	£3,221k	£3,221k	£3,221k

\*2017/18 and 2018/19 include £400k Grant-in-Aid ring-fenced for the Treasures to China initiative.

## Use of funds

The BL allocates funding to its operations and programmes through the annual Business and Financial Planning process which culminates with the approval of the Board in February or March. The Financial Plan consists of an allocated detailed line budget for income and expenditure for the first year of the plan and higher level planning figures for the future years.

The first year financial allocations form a delegated budget which the Chief Executive, the Chief Librarian and the Chief Operating Officer is responsible for delivering alongside their key objectives. The allocation for 2017/18 is as follows (based on Q1 forecast):



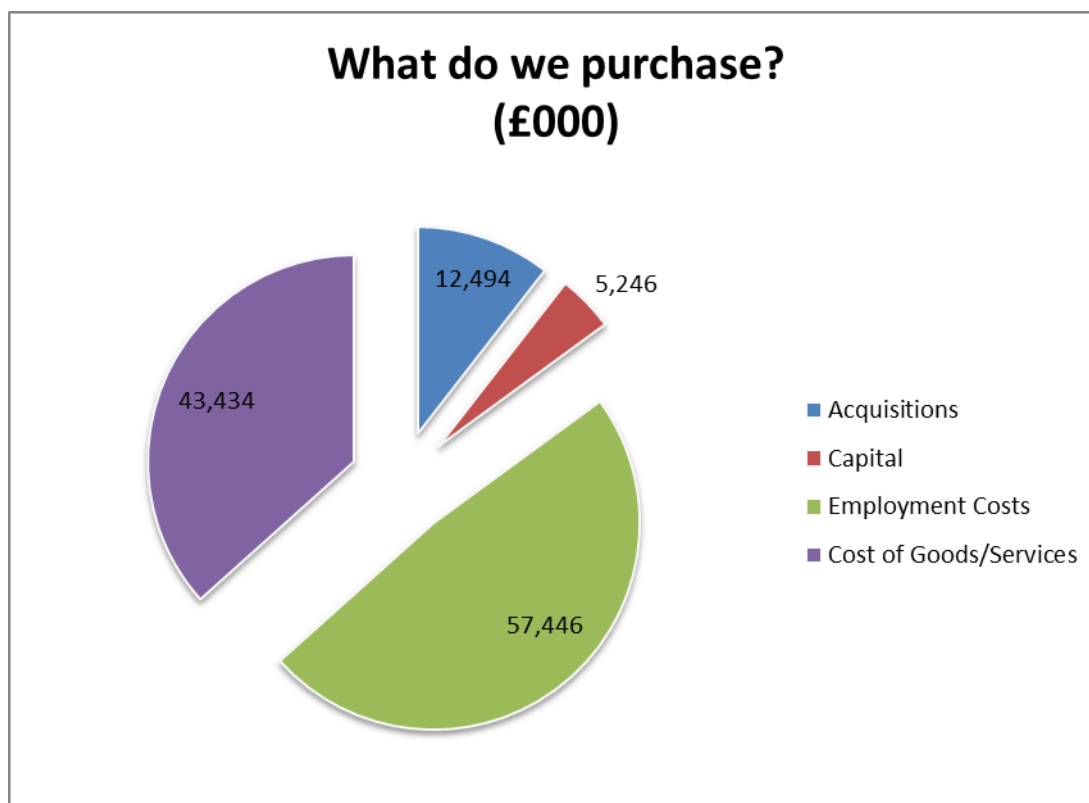
Key:

- |        |   |                                  |
|--------|---|----------------------------------|
| • CEO  | - | Chief Executive Officer          |
| • CL   | - | Chief Librarian                  |
| • COO  | - | Chief Operating Officer          |
| • Corp | - | Corporate (funds held centrally) |

### What do we purchase?

Budgets within groups are also allocated to expenditure lines with some parts of the budget being “ring-fenced” to ensure appropriate use, i.e. acquisition budgets.

The main areas of expenditure are summarised below (based on Q1 forecast):

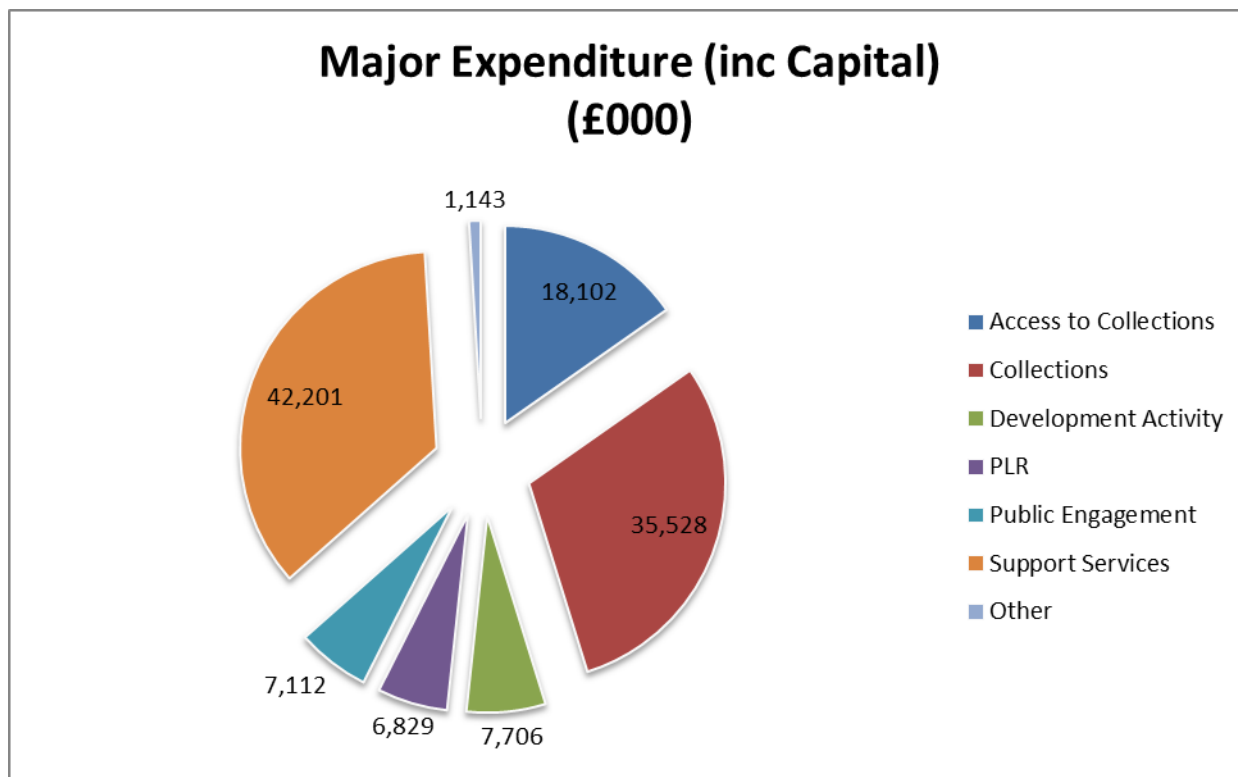


Key:

- Acquisitions – purchase of material for the collection, print and electronic.
- Capital – expenditure on fixed assets.
- Employment Costs – salaries, employer’s NI & pension contributions, agency staff , overtime and severance payments.
- Cost of goods/services – external services, equipment and consumables. IT hardware and software, maintenance and cleaning, travel and subsistence, rent, rates, utilities and training costs. This figure also includes PLR author payments.

### How is this allocated to major activities?

The budget can also be sub-divided in to the major services and activities the BL provides.



(The figures above exclude income and are based on the Q1 forecast).

Key:

- Access to Collections – this includes the cost of reading rooms, document supply etc
- Collections - The spend on activities to develop and manage the BL’s collection including selection, acquisition, processing, storage, preservation and conservation.
- Development Activity - Expenditure on major programmes and projects including the construction of the Newspaper building at Boston Spa.
- PLR – this is the Public Lending Right, which became part of the British Library on 1 October 2013. Their function is to make payments to authors whose publications have been borrowed from libraries throughout the country in the form of annual royalty payments.
- Public Engagement – this includes the cost of exhibitions, events, marketing, educational visits etc.
- Support Services - Includes Finance, Procurement, Chief Executive’s/Librarian’s/Operating Officer’s offices, Human Resources, Strategy & Planning, Governance and Risk Management etc as well as the costs of running the estate.
- Other – any expenditure not included in the above.

The above information is made available to provide an insight into how the BL is funded and how it uses the financial resources at its disposal using the current financial year as a basis. The budget is re-forecast at the end of each financial quarter and the Senior Leadership Team make decisions on any

amendments, re-allocations and other adjustments, which are subsequently forwarded to the Board for approval. The information in this document is based on the Quarter 1 Forecast for 2017/18.

For more details on historic spend please refer to our Annual Report and Accounts, available on our website, [www.bl.uk](http://www.bl.uk)