

financial statements



AUDITOR GENERAL
VICTORIA

INDEPENDENT AUDIT REPORT

Library Board of Victoria

To the Members of the Parliament of Victoria and Members of the Board

Scope

The Financial Report

The accompanying financial report for the year ended 30 June 2006 of the Library Board of Victoria consists of an operating statement, balance sheet, statement of recognised income and expense, cash flow statement, notes to and forming part of the financial report, and the statement by members of the Board. The financial report includes the consolidated financial statements of the economic entity, comprising of the Library Board of Victoria and the entities it controlled at the year's end or from time to time during the financial year as disclosed in note 1d) to the financial statements.

Members' Responsibility

The Members of the Library Board of Victoria are responsible for:

- the preparation and presentation of the financial report and the information it contains, including accounting policies and accounting estimates
- the maintenance of adequate accounting records and internal controls that are designed to record its transactions and affairs, and prevent and detect fraud and errors.

Audit Approach

As required by the *Audit Act* 1994, an independent audit has been carried out in order to express an opinion on the financial report. The audit has been conducted in accordance with Australian Auditing Standards to provide reasonable assurance as to whether the financial report is free of material misstatement.

The audit procedures included:

- examining information on a test basis to provide evidence supporting the amounts and disclosures in the financial report
- assessing the appropriateness of the accounting policies and disclosures used, and the reasonableness of significant accounting estimates made by the members
- obtaining written confirmation regarding the material representations made in conjunction with the audit
- reviewing the overall presentation of information in the financial report.

These procedures have been undertaken to form an opinion as to whether, in all material respects, the financial report is presented fairly in accordance with Accounting Standards and other mandatory professional reporting requirements in Australia, and the financial reporting requirements of the *Financial Management Act* 1994, so as to present a view which is consistent with my understanding of the Board's and the economic entity's financial position, and their financial performance and cash flows.

The audit opinion expressed in this report has been formed on the above basis.

Independence

The Auditor-General's independence is established by the *Constitution Act* 1975. The Auditor-General is not subject to direction by any person about the way in which his powers and responsibilities are to be exercised. The Auditor-General and his staff and delegates comply with all applicable independence requirements of the Australian accounting profession.

Audit Opinion

In my opinion, the financial report presents fairly in accordance with applicable Accounting Standards and other mandatory professional reporting requirements in Australia, and the financial reporting requirements of the *Financial Management Act* 1994, the financial position of the Library Board of Victoria and the economic entity as at 30 June 2006 and their financial performance and cash flows for the year then ended.

MELBOURNE
25 September 2006

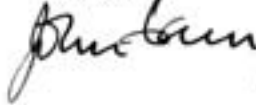

for Edward M. Hay
Acting Auditor-General

LIBRARY BOARD OF VICTORIA

In the opinion of the members of the Library Board of Victoria, the accompanying Financial Statements comprising the Balance Sheet, Operating Statement, Statement of Recognised Income and Expense, Cash Flow Statement, and the accompanying notes thereto, present fairly the result of the operations and cash flows of the Library Board of Victoria for the year ended 30 June 2006 and the financial position of the Board at that date in accordance with Australian Accounting Standards and comply with the Financial Management Act 1994.

At the date of signing the Annual Financial Statements we are not aware of any circumstances which would render any particulars included in the Statements to be misleading or inaccurate.

Hon John Cain
President



Date
15/9/06

Kevin Quigley
Board Member
Chair Audit Committee



Date
15/09/06

Anthony L Haeusler
Chief Financial Officer



Date 15/9/06

Balance Sheet as at 30 June 2006

	Note	Consolidated		State Library of Victoria	
		2006	2005	2006	2005
		\$'000	\$'000	\$'000	\$'000
Current Assets					
Cash and Cash Equivalents	2	2,349	395	2,321	197
Receivables	3	1,235	2,924	1,338	2,987
Other Financial Assets	4	25,556	22,547	12,900	13,100
Other	5	502	389	502	389
Total Current Assets		29,642	26,255	17,061	16,673
Non-Current Assets					
Property, Plant and Equipment	6	412,409	396,750	412,409	396,750
Library Collections	7	308,340	305,901	308,340	305,901
Deferred Expenditure	8	1	1	1	1
Total Non-Current Assets		720,750	702,652	720,750	702,652
Total Assets		750,392	728,907	737,811	719,325
Current Liabilities					
Payables	9	3,508	2,576	3,508	2,576
Interest Bearing Liabilities	10	84	13	84	13
Provisions	11	4,269	3,909	4,269	3,909
Total Current Liabilities		7,861	6,498	7,861	6,498
Non-Current Liabilities					
Provisions	11	883	808	883	814
Interest Bearing Liabilities	10	23	79	23	79
Total Non-Current Liabilities		906	887	906	893
Total Liabilities		8,767	7,385	8,767	7,391
Net Assets		741,625	721,522	729,044	711,940
Equity					
Contributed Capital	1(b), 12(a)	548,841	534,688	548,841	534,688
Asset Revaluation Reserve	12(c)	152,285	152,285	152,285	152,285
General Reserve	12(d)	1,000	1,000	1,000	1,000
Donations and Bequests Reserve	12(e), 13	13,646	10,782	1,789	1,749
Specific Purpose Grants Reserve	12(f), 14	8,842	8,307	8,118	7,758
Accumulated Surplus		17,011	14,460	17,011	14,460
Total Equity	12(g)	741,625	721,522	729,044	711,940

Values are rounded to the nearest thousand.

The above Balance Sheet should be read in conjunction with the accompanying notes.

**Operating Statement for the Financial Year
ended 30 June 2006**

	Note	Consolidated		State Library of Victoria	
		2006	2005	2006	2005
		\$'000	\$'000	\$'000	\$'000
Revenue					
Output Appropriation					
- Current Nature	15	32,434	28,959	32,434	28,959
- Depreciation Equivalent	1(b)	6,589	8,267	6,589	8,267
- Capital Asset Charge	1(k)	39,426	35,731	39,426	35,731
Trading	16	2,772	3,143	2,737	3,097
Externally Funded Projects	17	3,633	4,953	3,633	4,953
Donations and Bequests	18	3,849	1,502	2,358	1,593
Investment Revenue	19(a)	1,561	1,177	843	728
Realised/Unrealised Capital Gains	19(b)	1,303	1,352	-	-
		91,567	85,084	88,020	83,328
Expenses					
Salaries and Related Expenses	20	24,843	22,938	24,541	22,734
Buildings and Facilities	21	5,000	4,653	5,000	4,650
Bad and Doubtful Debts	1(d)	(1)	(2)	(1)	(2)
Professional and Finance	22	958	866	920	838
Borrowing Costs	23	7	6	7	6
Grants Distributed	24	1,405	771	1,405	771
Government Capital Assets Charge	1(k)	39,426	35,731	39,426	35,731
Other Expenses from Ordinary Activities	25	7,769	6,908	7,592	6,746
Depreciation	1(h)	6,210	6,195	6,210	6,195
Amortisation	1(f)	-	549	-	549
Loss on Sale of Assets		2	12	2	12
		85,619	78,627	85,102	78,230
Net result for the Period		5,948	6,457	2,918	5,098

The above Operating Statement should be read in conjunction with the accompanying notes.

**Statement of Recognised Income and Expense
for the Financial Year ended 30 June 2006**

	Note	Consolidated		State Library of Victoria	
		2006	2005	2006	2005
		\$'000	\$'000	\$'000	\$'000
Net Income Recognised Directly in Equity		-	-	-	-
Net Income for the Period	12	5,948	6,457	2,918	5,098
Total Recognised Income and Expenditure for the Period		5,948	6,457	2,918	5,098

**Cash Flow Statement for the Financial Year
ended 30 June 2006**

	Note	Consolidated		State Library of Victoria	
		2006	2005	2006	2005
		\$'000	\$'000	\$'000	\$'000
Cash Flows from Operating Activities					
Receipts from Government					
Government Appropriation for the Provision of Outputs					
- Current Nature		32,434	28,959	32,434	28,959
Receipts from Other Entities					
Donations (other than in kind) and Bequests		1,788	773	203	865
Trading Receipts		2,117	3,240	2,074	3,131
Grants		6,563	2,558	6,563	2,558
Asset Replacement Grants		8,622	3,321	8,622	3,321
Dividends and Interest		1,569	1,199	851	749
Borrowing Cost Expense		(7)	(6)	(7)	(6)
Payments to Suppliers and Employees		(38,848)	(37,052)	(38,233)	(36,673)
Net Cash Provided by Operating Activities	28(b)	14,238	2,992	12,507	2,904
Cash Flows from Investing Activities					
Capital Contribution from State Government		-	-	-	-
Proceeds from/(Payments for) Investments		(1,095)	427	-	-
Proceeds from the Sale of Fixed Assets		1	-	1	-
Payment for Buildings		(6,873)	(2,441)	(6,873)	(2,441)
Payment for Equipment		(1,447)	(640)	(1,447)	(640)
Payment for Library Collection		(2,248)	(1,946)	(2,248)	(1,946)
Net Cash Used in Investing Activities		(11,662)	(4,600)	(10,567)	(5,027)
Cash Flows from Financing Activities					
Repayment of Finance Lease		(13)	(13)	(13)	(13)
Net Cash Used in Financing Activities		(13)	(13)	(13)	(13)
Net Increase/(Decrease) in Cash Held		2,563	(1,621)	1,924	(2,136)
Cash and Cash Equivalents at Beginning of the Financial Year		16,359	17,980	13,297	15,433
Cash and Cash Equivalents at End of the Financial Year	28(a)	18,922	16,359	15,221	13,297

The above Cash Flow Statement should be read in conjunction with the accompanying notes.

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1 Summary of Significant Accounting Policies

a) Basis of Preparation of Accounts

The financial report is a general purposes financial report which has been prepared on an accrual basis in accordance with the *Financial Management Act 1994*, Australian Accounting Standards and Urgent Issues Group Interpretations. Accounting Standards include Australian equivalents to International Financial Reporting Standards (A-IFRS).

The Financial Report was authorised for issue by A.L. Haeusler, Chief Financial Officer, State Library of Victoria, on 15 September 2006.

The financial report has been prepared on the basis of historical cost, except for the revaluation of certain non-current assets and financial instruments. Cost is based on the fair values of the consideration given in exchange for assets.

An explanation of how the transition from superseded policies to A-IFRS has affected the Library's financial position, financial performance and cash flows is set out in Note 34.

b) Contribution by Owners

Consistent with UIG Interpretation 1038 'Contributions by Owners Made to Wholly-Owned Public Sector Entities' appropriations for additions to net assets have been designated as contributions by owners. Other transfers that are in the nature of contributions or distributions have also been designated as contributions by owners.

c) Capital Asset Charge

The capital asset charge represents the opportunity cost of capital invested in the non-current physical assets used in the provision of outputs. The charge is calculated on the budgeted carrying amount of non-current physical assets.

d) Principles of Consolidation

The assets, liabilities, revenues and expenses of the State Library of Victoria Foundation have been included at the values shown in the audited Annual Financial Statements. Any inter-entity transactions have been eliminated on consolidation.

The consolidated entity comprises the Library Board of Victoria, trading as the State Library of Victoria, and the State Library of Victoria Foundation. The Library Board of Victoria is the trustee for the State Library of Victoria Foundation.

e) Debtors

All debtors are recognised at the amount receivable as they are due for settlement at no more than 30 days from the date of recognition. The provision for doubtful debts has been determined by fully examining all debtors greater than 44 days and determined accordingly.

f) Deferred Expenditure

The value of deferred expenditure represents the remaining value of the CAVAL Archival and Research Materials (CARM) Centre after the Library write down in 2004-05.

g) Financial Assets

Investments are recognised and derecognised on trade date where purchase or sale of the instrument is under a contract whose terms require delivery of the instrument within the timeframe established by the manager concerned, and are initially measured at fair value, net of transaction costs. State Library of Victoria investments are fixed capital investments such as government bonds, bank deposits or bank bills. The State Library of Victoria Foundation includes managed funds comprising investments which are listed equities on the Australian Stock Exchange.

Foundation investments are classified as financial assets at fair value through profit and loss.

Financial Assets at fair value through profit and loss: Investments held for trading purposes are classified as current assets and are stated at fair value, with any resultant gain or loss recognised in profit or loss.

h) Non-Current Physical Assets

Land and buildings are measured at fair value. Plant and equipment and vehicles are measured at cost, less accumulated depreciation and impairment.

i) Depreciation of Property, Plant and Equipment and Library Collection

Unless otherwise stated, depreciation has been charged on non-current assets (except Land and heritage collections) at rates assessed to match the cost of the assets against their estimated economic lives to the Library. Depreciation is calculated using the straight-line method. Depreciation on Buildings is charged, on a straight-line basis, at a rate of 1 per cent per annum. Depreciation rates for Equipment range from 10 to 33 per cent per annum.

With effect from 1 July 2003 the Library Board of Victoria differentiated Library collection material as heritage and non-heritage. Useful lives for non-heritage collection material were determined based on an assessment of use and currency profiles. Useful lives applied for 2005-06 financial year are:

- five years for material acquired for the Trescowthick Information Centre
- ten years for material acquired for the Redmond Barry Reading Room
- fifty years for material acquired for the Main Stacks.

j) Payables and Other Creditors

These amounts represent the value of unsecured liabilities for goods and services provided to the Library at the end of the financial year.

k) Employee Benefits

All annual leave and unconditional vested LSL representing 7+ years of continuous service is disclosed in accordance with AASB101, as a current liability even where the agency does not expect to settle the liability within 12 months as it will not have the unconditional right to defer the settlement of the entitlement should an employee take leave within 12 months.

LSL representing less than 7 years of continuous service is; disclosed in accordance with AASB10 as a non-current liability; and measured at present value under AASB19, as the entity does not expect to settle this non-current liability within 12 months.

The Board makes contributions to the State Superannuation Board's Revised and New Schemes, the Victorian Superannuation scheme and other private schemes for eligible employees and such expenditure is shown as an operating expense in the Financial Statements (refer Note 29).

l) Specific Purpose Grants

Represents grants received by the Library for a specific project with the proceeds brought to account as revenue upon receipt. The balance of unexpended grants is transferred to the Specific Purpose Grants Reserve on an annual basis. Subsequent expenditure is recorded as an expense in the Statement of Financial Performance and results in a transfer from the reserve.

m) General Reserve

In the 2001-02 financial year the Library Board created the General Reserve to provide for unavoidable future expenditures that cannot be met from funding.

n) Revenue Recognition

Donations and Bequests for specific purposes have been brought to account as revenue upon receipt. The balance of unexpended donations is transferred to the Donations and Bequests Reserve on an annual basis. Subsequent expenditure is recorded as an expense in the Statement of Financial Performance and results in a transfer from the reserve.

Revenue from the sale of goods and services is recognised upon delivery of the goods and services to the customer. Vicnet ISP customers' fees are recognised as a prepayment on receipt and brought to account progressively over the period of each contract.

Grants from Government and other sources are brought to account as revenue as and when received. Government grants for the Library redevelopment refer to note 1(b).

Interest revenue is recognised when due, and dividend revenue is recognised when the entitlement to receive payment is established.

Bequests and Donations revenue includes donations in kind. The in kind contributions are goods and services provided to the Library Board of Victoria at no cost. An amount equivalent to the arms-length value of both the goods and services received and the operational or capital expenses has been included in the financial statements. Where the donation is an item or items to be added to the Library collections, the valuation has been performed by Library staff except where the donation has been externally valued under the Cultural Gifts program.

Foundation memberships are recognised on receipt.

o) Revaluation of Non-Current Assets

The revaluation process occurs every three to five years. Revaluation increments are credited directly to the Asset Revaluation Reserve, except when, to the extent that an increment reverses a revaluation decrement in respect of that class of asset previously recognised as an expense in net result, the increment is recognised immediately as revenue in the net result.

Revaluation decrements are recognised immediately as expenses in net result, except when, to the extent that a credit balance exists in the Asset Revaluation Reserve in respect to the same class of assets, they are debited directly to the Asset Revaluation Reserve.

Revaluation increments and decrements are offset against one another within a class of non-current assets.

p) New and Revised Accounting Standards and Interpretations

The Library Board of Victoria has adopted all of the new and revised Accounting Standards and Interpretations issued by the Australian Accounting Standards Board (AASB) that are relevant to its operations and effective for annual reporting periods beginning 1 July 2005.

The Board members have given due consideration to new and revised standards and interpretations issued by the AASB that are not yet effective and do not believe they will have any material financial impact on the financial statements.

Note	Consolidated		State Library of Victoria	
	2006	2005	2006	2005
	\$'000	\$'000	\$'000	\$'000
2 Cash and Cash Equivalents				
Cash on Hand	10	8	10	8
Cash at Bank	2,339	387	2,311	189
	2,349	395	2,321	197
3 Receivables				
Debtors – External	1,235	2,926	1,235	2,926
Debtor State Library of Victoria Foundation	-	-	103	63
Less Provision for Doubtful Debts (Note 1(d))	-	(2)	-	(2)
	1,235	2,924	1,338	2,987
4 Other Financial Assets				
Current				
Deposits	2,900	3,100	2,900	3,100
Bank Bills	10,000	10,000	10,000	10,000
Foundation Investments				
Cash Management Account (at fair value)	616	472	-	-
Fixed Interest Securities (at fair value)	3,057	2,392	-	-
	16,573	15,964	12,900	13,100
Equity Investments (at fair value)	8,983	6,583	-	-
	25,556	22,547	12,900	13,100
5 Other Current Assets				
Stock on Hand	15	-	15	-
Prepayments	468	363	468	363
Accrued Interest	19	26	19	26
	502	389	502	389

Note	Consolidated		State Library of Victoria	
	2006	2005	2006	2005
	\$'000	\$'000	\$'000	\$'000
6 Property, Plant and Equipment				
Land - Fair Value (2003 valuation)	38,000	38,000	38,000	38,000
Buildings - Fair Value (2003 valuation)	1(g) 332,000	332,000	332,000	332,000
Less Accumulated Depreciation	1(h) (11,620)	(8,300)	(11,620)	(8,300)
	320,380	323,700	320,380	323,700
Redevelopment Capital Expenditure at Cost	20,446	20,446	20,446	20,446
Less Accumulated Depreciation	1(h) (460)	(255)	(460)	(255)
	19,986	20,191	19,986	20,191
Equipment at Cost	12,716	12,241	12,716	12,241
Less Accumulated Depreciation	1(h) (5,479)	(4,254)	(5,479)	(4,254)
	7,237	7,987	7,237	7,987
Equipment Under Lease at Cost	472	441	472	441
Less Accumulated Depreciation	1(h) (366)	(349)	(366)	(349)
	106	92	106	92
Work in Progress at Cost				
- Buildings	25,636	6,641	25,636	6,641
- Plant and Equipment	1,064	139	1,064	139
	26,700	6,780	26,700	6,780
Total Property, Plant and Equipment	412,409	396,750	412,409	396,750

	Land	Buildings	Plant & Equipment	Assets Under Finance Lease	Total
	\$'000	\$'000	\$'000	\$'000	\$'000
Consolidated 2006					
Carrying Amount at Start of Year	38,000	350,532	8,126	92	396,750
Additions	-	-	649	-	649
Work in Progress	-	18,995	926	-	19,921
Disposals	-	-	(3)	-	(3)
Depreciation	-	(3,525)	(1,366)	(17)	(4,908)
Carrying Amount at End of Year	38,000	366,002	8,332	75	412,409
State Library of Victoria 2006					
Carrying Amount at Start of Year	38,000	350,532	8,126	92	396,750
Additions	-	-	649	-	649
Work in Progress	-	18,995	926	-	19,921
Disposals	-	-	(3)	-	(3)
Depreciation	-	(3,525)	(1,366)	(17)	(4,908)
Carrying Amount at End of Year	38,000	366,002	8,332	75	412,409

Note	Consolidated		State Library of Victoria	
	2006	2005	2006	2005
	\$'000	\$'000	\$'000	\$'000
7 Library Collections				
At Cost - Heritage	2,279	1,827	2,279	1,827
At Cost - Non-Heritage	1(h) 5,165	3,369	5,165	3,369
Less Accumulated Depreciation	(539)	(318)	(539)	(318)
Heritage at Fair Value (2002 valuation)	1(g) 247,030	247,030	247,030	247,030
Non Heritage at Fair Value (2002 valuation)	1(h) 54,100	54,100	54,100	54,100
Less Accumulated Depreciation	(3,246)	(2,164)	(3,246)	(2,164)
Collection Donations at Fair Value (2003 valuation)	693	693	693	693
Collection Donations at Fair Value (2004 valuation)	636	636	636	636
Collection Donations at Fair Value (2005 valuation)	728	728	728	728
Collection Donations at Fair Value (2006 valuation)	1,494	-	1,494	-
	308,340	305,901	308,340	305,901
Reconciliation				
Carrying Amount at Start of Year	305,901	304,528	305,901	304,528
Post Revaluation Additions - Purchases	2,248	1,947	2,248	1,947
Post Revaluation Additions - Donated	1,494	728	1,494	728
Depreciation - Non-Heritage Collection	(1,303)	(1,302)	(1,303)	(1,302)
Carrying Amount at End of Year	308,340	305,901	308,340	305,901
8 Deferred Expenditure				
CARM Centre, Bundoora (Note 1(f))	1,000	1,000	1,000	1,000
Less Accumulated Amortisation	(999)	(999)	(999)	(999)
	1	1	1	1
9 Payables				
Creditors External	2,368	859	2,368	859
Accrued Expenses	932	1,485	932	1,485
Prepaid Revenue	208	232	208	232
	3,508	2,576	3,508	2,576
10 Interest Bearing Liabilities (motor vehicles)				
Finance Lease - Current	84	13	84	13
Finance Lease - Non Current	23	79	23	79
	107	92	107	92
11 Provisions				
Employee Benefits	1(k) 4,269	3,909	4,269	3,909
Total Current Provisions	4,269	3,909	4,269	3,909
Employee Benefits	883	814	883	814
Total Non Current Provisions	883	814	883	814
Aggregate Carrying Amount of Provisions	5,152	4,723	5,152	4,723

Note	Consolidated		State Library of Victoria	
	2006	2005	2006	2005
	\$'000	\$'000	\$'000	\$'000
12 Equity and Movements in Equity				
(a) Contributed Capital				
Balance at Beginning of the Year	534,688	534,688	534,688	534,688
Equity Contribution from Government				
Capital Improvements	14,153	-	14,153	-
Balance at End of the Year	548,841	534,688	548,841	534,688
(b) Accumulated Surplus				
Accumulated Surplus at Beginning of the Year	14,460	9,461	14,460	9,461
Net Result for the Year	5,948	6,457	2,918	5,098
Net Transfer (to)/from Donations and Bequest Reserve	(2,863)	(1,567)	(40)	(12)
Net Transfer (to)/from Specific Purpose Grants Reserve	(534)	(603)	(327)	(799)
Net Transfer (to)/from Equipment Asset Revaluation Reserve	-	712	-	712
Accumulated Surplus at End of the Year	17,011	14,460	17,011	14,460
(c) Reserves				
Land Asset Revaluation Reserve				
Balance at Beginning of the Year	15,500	15,500	15,500	15,500
Movement	-	-	-	-
Balance at End of the Year	15,500	15,500	15,500	15,500
The revaluation reserve arises on the revaluation of Land Collection Asset Revaluation Reserve				
Balance at Beginning of the Year	136,785	136,785	136,785	136,785
Movement	-	-	-	-
Balance at End of the Year	136,785	136,785	136,785	136,785
The revaluation reserve arises on the revaluation of the Collection Equipment Asset Revaluation Reserve				
Balance at Beginning of the Year	-	712	-	712
Movement	-	(712)	-	(712)
Balance at End of the Year	-	-	-	-
Total of the Asset Revaluation Reserve				
Balance at Beginning of the Year	152,285	152,997	152,285	152,997
Movement	-	(712)	-	(712)
Balance at End of the Year	152,285	152,285	152,285	152,285
(d) General Reserve				
Balance at Beginning of the Year	1,000	1,000	1,000	1,000
Transfer from Accumulated Surplus	-	-	-	-
Balance at End of the Year	1,000	1,000	1,000	1,000
(e) Donations and Bequests Reserve				
Balance at Beginning of the Year	10,782	9,215	1,749	1,737
Transfer (to)/from Accumulated Surplus	2,863	1,567	40	12
Balance at End of the Year (Note 13)	13,645	10,782	1,789	1,749
(f) Specific Purpose Grants Reserve				
Balance at Beginning of the Year	8,307	7,704	7,758	6,959
Transfer (to)/from Accumulated Surplus	534	603	360	799
Balance at End of the Year (Note 14)	8,841	8,307	8,118	7,758
(g) Total Equity at the Beginning of the Year				
721,522	715,065	711,934	706,842	
Total Changes in Equity Recognised in the Statement of Financial Performance Contributions of Equity				
	5,949	6,451	2,957	5,092
Capital Improvements	14,153	-	14,153	-
Total Equity at the End of the Year	741,624	721,516	729,044	711,934

Note	01 July 2005 c-fwd Balance	Consolidated		30 June 2006 Balance
		2006 Transfer from Accumulated Surplus	2006 Transfer to Accumulated Surplus	
	\$'000	\$'000	\$'000	\$'000
13 Donations and Bequests Reserve				
State Library of Victoria				
Sir Irving Benson Estate	433	23	19	437
LM Henderson Estate	259	14	12	261
T Buesst Bequest	208	11	9	210
C Sunberg Estate	143	7	9	141
VG Dobbie Bequest	112	6	25	93
Ethel Cutten Estate	184	9	29	164
VJ Chalmers Estate	213	12	-	225
Margery Ramsay Estate	88	4	-	92
Frederick Bryan Bequest	24	1	-	25
Kurt Ofenberg Bequest	11	1	-	12
Constance Thomson Estate	6	1	-	7
MV Anderson Estate	3	-	-	3
K Wilson Bequest	62	2	-	64
PJ Winthrop	3	31	31	3
Q Madden	-	51	-	51
E Borrow Estate	-	1,233	1,233	-
	1,749	1,406	1,367	1,788
State Library of Victoria Foundation	9,033	3,542	718	11,857
Total Library Board of Victoria	10,782	4,948	2,085	13,645

14 Specific Purpose Grants Reserve

During the 2005-06 financial year funds were received from external organisations to be applied for specific purposes. This 'Specific Purpose Grants Reserve' is a balance of all grant funds, which remain unexpended as at 30 June 2006. The balance of this reserve account consists of the following grants:

Directorate				
Arts Victoria - Corporate Training	2	-	-	2
Arts Victoria - Creative Fellowships	61	155	163	53
Ballarat Offsite Store	203	2,563	2,222	544
Council of Australian State Libraries	117	82	35	164
BA Santamaria Fellowship	42	5	10	37
Thomas Foundation	-	12	12	-
Online Chat Rooms	-	13	-	13
Library Symposium	-	80	67	13
Librarianship in PNG and East Timor	-	10	-	10
Technology Services				
ACMI Broadband Link	-	17	17	-
Corporate Services and Planning				
Arts Victoria - Human Resources System Enhancements	25	5	-	30
Marketing	3	66	49	20
Vicnet				
Multimedia Victoria - Skills.net Program	21	357	255	123
Multimedia Victoria - Library Infrastructure	4,255	3,560	3,744	4,071
Department of Human Services - Preschools Project	1,434	87	666	855
Public Libraries Unit				
Library Network and Support	712	3,281	2,850	1,143

Note	01 July 2005	Consolidated		30 June 2006
	c-fwd Balance	2006 Transfer from Accumulated Surplus	2006 Transfer to Accumulated Surplus	Balance
	\$'000	\$'000	\$'000	\$'000
Collection Management				
Foundation Support	-	100	100	-
Pacific Access	26	-	15	11
Sybil Craig Bequest	23	1	-	24
WG Alma Estate	53	12	57	8
Goulburn Valley Water	22	-	8	14
Manuscript Collection	-	125	71	54
Holocaust Collection	10	-	1	9
Sir Irving Benson Estate	-	19	19	-
T Buesst Bequest	-	9	9	-
E Cutten Bequest	-	15	7	8
V Dobbie Bequest	-	25	25	-
LM Henderson Estate	1	11	7	5
Library Heritage Digitisation	46	-	35	11
Black Thursday Conservation	1	-	1	-
Big Pictures Treatment	3	-	1	2
Genealogy Collection	3	-	3	-
Adopt A Book Project	1	-	1	-
Ciba Conservation	17	15	32	-
Newspaper Digitisation	-	50	-	50
Public Programs				
Public Program Events	45	171	187	29
Centre for Youth Literature	58	312	297	73
Publications	250	-	79	171
School Services	70	189	87	172
Premier's Literary Awards	58	346	391	13
Exhibitions	92	194	228	58
Access and Information				
George Robertson Program	3	-	-	3
Coles Myer Ltd	62	-	2	60
The Agnes Robertson Trust - Digitise Record Collection	22	-	1	21
Architecture Archives	-	37	37	-
Disability	17	-	13	4
slv21 Projects				
CBN Content Development	-	275	35	240
Total State Library of Victoria	7,758	12,199	11,839	8,118
SLV Development Fund (Foundation)	549	718	544	723
Total State Library of Victoria Foundation	549	718	544	723
Total Library Board of Victoria	8,307	12,917	12,383	8,841

Note	01 July 2005 c-fwd Balance	Consolidated		30 June 2006 Balance
		2006 Transfer from Accumulated Surplus	2006 Transfer to Accumulated Surplus	
	\$'000	\$'000	\$'000	\$'000
Summary of Reserve Movements				
State Library of Victoria				
Total of Donations and Bequest Reserve	1,749	1,409	1,369	1,789
Total of Specific Purpose Grants Reserve	7,758	12,199	11,839	8,118
	9,507	13,608	13,208	9,907
State Library of Victoria Foundation				
Total of Donations and Bequest Reserve	9,033	3,542	718	11,857
Total of Specific Purpose Grants Reserve	549	718	544	723
	9,582	4,260	1,262	12,580
Consolidated				
Total of Donations and Bequest Reserve	10,782	4,951	2,087	13,646
Total of Specific Purpose Grants Reserve	8,307	12,917	12,383	8,841
	19,089	17,868	14,470	22,487

Note	Consolidated		State Library of Victoria	
	2006	2005	2006	2005
	\$'000	\$'000	\$'000	\$'000
15 Government Funding				
Government Funding for the Provision of Outputs - Current Nature				
Government Appropriation	32,434	28,959	32,434	28,959

16 Trading Income				
Vicnet	1,561	1,737	1,561	1,737
Other	1,211	1,406	1,176	1,360
	2,772	3,143	2,737	3,097

Note	Consolidated		State Library of Victoria	
	2006 \$'000	2005 \$'000	2006 \$'000	2005 \$'000
17 Externally Funded Projects				
Department of Infrastructure				
Public Internet Access Program	1,165	1,575	1,165	1,575
My Connected Community	405	900	405	900
i@ Directory and Website	5	50	5	50
Call Centre Support	235	163	235	163
Skills.net Roadshow	-	240	-	240
Community Networks Project	-	5	-	5
Department of Victorian Communities				
Multilingual Senior Surfers	-	100	-	100
Multilingual Website	-	91	-	91
Commonwealth Games	36	-	36	-
Department of Premier and Cabinet				
150th Anniversary Program	63	50	63	50
Department of Treasury and Finance				
Employee Benefits	-	9	-	9
Department of Education and Training				
Schools Services	79	52	79	52
History Council of Victoria	-	20	-	20
Information Victoria				
Show Stand	-	11	-	11
Arts Victoria				
ACMI Optical Fibre Link	17	31	17	31
Premier's Literary Awards	-	38	-	38
Country Football Living Memory Demonstration Project	40	-	40	-
Cultural Broadband Network	35	-	35	-
Building Improvements	200	-	200	-
Vicnet	-	435	-	435
National Gallery of Victoria				
System Support	21	20	21	20
Department of Education Science and Training				
Online Chat Rooms	13	-	13	-
Other Externally Funded Grants				
Gordon Darling Foundation	-	12	-	12
Allan and Maria Myers	-	100	-	100
RE Ross Trust	125	57	125	57
DEAC	-	1	-	1
Clayton Utz	-	2	-	2
Village Roadshow	15	15	15	15
The Age	-	18	-	18
University of Ballarat	3	3	3	3
Rino and Diana Grollo	-	23	-	23
CASL	144	93	144	93
Major Projects Victoria	766	782	766	782
Australia Council	32	32	32	32
WG Alma Estate	10	6	10	6
Monash University	6	10	6	10
National Library of Australia	53	-	53	-
British Council	51	-	51	-
William Buckland Foundation	64	-	64	-
Centre for Youth Literature Sponsors	11	9	11	9
Copyright Agency Limited	15	-	15	-
Office of Commonwealth Games	24	-	24	-
	3,633	4,953	3,633	4,953

Note	Consolidated		State Library of Victoria	
	2006	2005	2006	2005
	\$'000	\$'000	\$'000	\$'000

18 Donations and Bequests

State Library of Victoria

Donations In Kind (See Note 1(n))	1,494	728	1,494	728
John T Reid Charitable Trust	-	25	-	25
State Library Of Victoria Foundation	-	-	707	797
Phillip Joseph Winthrop Estate	30	21	30	21
Quentin Madden Estate	50	-	50	-
BA Santamaria Family	5	17	5	17
Alan AGL Shaw Charitable Trust	40	-	40	-
Thomas Foundation	12	-	12	-
RE Ross Trust	10	-	10	-
Other Donations	10	5	10	5
Total State Library of Victoria	1,651	796	2,358	1,593

State Library Of Victoria Foundation

Sponsorships

Sponsorships were received by the Foundation from The Herald & Weekly Times Ltd, Ciba Chemicals, Rapp Collins Aust and Citibank.

	73	71	-	-
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Donations

Donations were received from Eleanor Mary Borrow Bequest, Sir Keith Murdoch's Children and Grandchildren, Trust Co of Australia, Sidney Myer Foundation, Gandel Family, Helen McPherson Smith Trust, Cass Foundation, Parncutt Family, Bookplate Donors, Light the Dome Donors, Membership Subscriptions, Foundation Events and other Foundation supporters.

	2,125	635	-	-
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State Library Of Victoria Foundation	2,198	706	-	-
Total Library Board of Victoria	3,849	1,502	2,358	1,593

19 Other Revenue and Revenue from Other Parties

19(a) Investment Revenue

Interest Revenue - General	902	789	738	645
Interest Revenue - Bequests	105	83	105	83
Dividends	554	305	-	-
	1,561	1,177	843	728

19(b) Investment Capital Movements

Unrealised Capital Gains/(Losses)	1,303	1,352	-	-
	1,303	1,352	-	-

Note	Consolidated		State Library of Victoria	
	2006	2005	2006	2005
	\$'000	\$'000	\$'000	\$'000
20 Salaries and Related Expenses				
Salaries	19,177	16,880	18,890	16,684
Superannuation	1,801	1,725	1,794	1,722
Other Salary-Related Expenses	3,865	4,333	3,857	4,328
	24,843	22,938	24,541	22,734
21 Buildings and Facilities				
Security	1,078	1,007	1,078	1,004
Repairs and Maintenance	1,426	1,177	1,426	1,177
Insurance	888	935	888	935
Cleaning	540	536	540	536
Utilities	769	646	769	646
Other	299	352	299	352
	5,000	4,653	5,000	4,650
22 Professional and Finance				
Audit - Internal and External	105	103	102	100
Consultancy and Other Costs	853	763	818	738
	958	866	920	838
23 Borrowing Costs				
Finance Lease Interest	7	6	7	6
	7	6	7	6
24 Grants Distributed				
Community Skills and Networks	1,102	605	1,102	605
Library Networks	303	166	303	166
	1,405	771	1,405	771
25 Other Expenses from Ordinary Activities				
Information Technology	2,515	2,778	2,515	2,778
EDP Operating Lease Expense	939	1,059	939	1,059
Office Administration	604	599	600	589
Storage and Conservation	1,505	258	1,505	258
Marketing and Promotion	1,456	1,385	1,335	1,268
Communications	276	291	270	284
Travel and Related	268	326	268	326
Publication Expenses	206	212	160	184
	7,769	6,908	7,592	6,746
26 Contingent Liabilities				

The Library Board of Victoria is not aware of any contingent liability as at 30 June 2006 (2004–05 Nil).

Note	Consolidated		State Library of Victoria	
	2006	2005	2006	2005
	\$'000	\$'000	\$'000	\$'000

27 Commitments

Operating Leases

Commitments for minimum lease payments in relation to non-cancellable operating leases are payable as follows:

Not later than one year	863	1,448	863	1,448
Later than one year and not later than five years	3,047	3,016	3,047	3,016
Later than five years	-	-	-	-
	3,910	4,464	3,910	4,464

Other Commitments:

Not later than one year	1,249	11,973	1,249	11,973
Later than one year and not later than five years	455	826	455	826
Later than five years	900	-	900	-
	2,604	12,799	2,604	12,799
	6,514	17,263	6,514	17,263

28 Notes to the Statement of Cash Flows

a) Reconciliation of Cash

For the purpose of the Statement of Cash Flows, the Library Board of Victoria considers cash on hand and in banks, cash management accounts and investments in bank bills and fixed interest securities, net of bank overdrafts. Cash at end of the reporting period, as shown in the Statement of Cash Flows, is reconciled to the related items in the Statement of Financial Position as follows:

Cash on Hand - (Note 2)	10	8	10	8
Cash at Bank - (Note 2)	2,339	387	2,311	189
Investments - (Note 4)	16,573	15,964	12,900	13,100
	18,922	16,359	15,221	13,297

b) Reconciliation of Result from Ordinary Activities to Net Cash Inflow from Operating Activities

Result from Ordinary Activities	5,948	6,457	2,918	5,098
Depreciation of Equipment	1,358	1,368	1,358	1,368
Depreciation of Buildings	3,524	3,524	3,524	3,524
Depreciation of Collection	1,302	1,302	1,302	1,302
Assets Work in Progress Adjustment	-	-	-	-
(Profit)/Loss on Sale of Assets	2	11	2	11
Donations In Kind	(1,494)	(728)	(1,494)	(728)
Non-Cash Appropriation (Depreciation)	2,039	(4,946)	2,039	(8,267)
Amortisation of Deferred Expenditure	-	549	-	549
Repayment of Finance Lease	13	13	13	13

Changes in Operating Assets and Liabilities

Provisions	318	71	318	71
Debtors	1,688	(2,443)	1,786	(2,507)
Investments - State Library of Victoria Foundation				
- Realised/Unrealised Capital (Gains)/Losses	(1,303)	(1,352)	-	-
Creditors	1,524	(156)	1,422	(173)
Prepayments	(120)	6	(120)	6
Accrued Income	-	-	-	-
Accrued Interest	7	20	7	20
Accrued Expenses	(533)	(837)	(533)	(837)
Finance Lease Liability	(13)	(13)	(13)	(13)
Prepaid Revenue	(22)	146	(22)	146
Net Cash Inflow (Outflow) from Operating Activities	14,238	2,992	12,507	2,904

Note	Consolidated		State Library of Victoria	
	2006	2005	2006	2005
	\$'000	\$'000	\$'000	\$'000

c) Non-Cash Financing and Investing Activities

Acquisition of Collections

During the year the consolidated entity received collections with an aggregate fair value of \$1,493,914 through public donations. These acquisitions are not reflected in the statement of cash flows.

Property, Plant and Equipment

During the year the consolidated entity acquired property, plant and equipment with an aggregate fair value of \$12,121,255 through payments made by the Department of Premier and Cabinet on behalf of the State Library of Victoria (Redevelopment). These acquisitions are not reflected in the statement of cash flows.

29 Superannuation

The Board made superannuation contributions for employees as follows:

State Superannuation Fund	715	704	715	701
Victorian Superannuation Fund	954	899	948	899
Private Superannuation Funds	100	122	100	122
	1,769	1,725	1,763	1,722

There are no superannuation contributions outstanding as at 30 June 2006. The Library Board of Victoria has no responsibility for unfunded liabilities associated with any of the above mentioned superannuation schemes. Employer contributions vary from 8% to 15.5% depending on employee fund membership.

30 Responsible Persons

The Minister for the Library Board of Victoria is Mary Delahunty MP, Minister for the Arts.

The names of Board members who have held office during the year are:

Mr Sam Lipski - President (to May 06)
 Hon. John Cain - President
 Ms Catherine Dale
 Ms Susan Halliday
 Mr Greg Hywood (to May 06)
 Mr Stephen Kerr (from August 05)
 Ms Hilary McPhee AO (to May 06)
 Mr Glenn Mescher
 Ms Patricia O'Donnell
 Mr Kevin Quigley
 Dr Vicki Williamson (to March 06)

The Chief Executive Officer of the Library is Ms Anne-Marie Schwirtlich. (On secondment to Arts Victoria from March 2006.)

The Acting Chief Executive Officer of the Library is Ms Sue Hamilton.

Note	Total Remuneration		Base Remuneration	
	2006	2005	2006	2005
	\$'000	\$'000	\$'000	\$'000

a) Remuneration of Responsible Persons

Total remuneration received by Responsible Persons from the reporting entity in connection with the management of the reporting entity. The remuneration includes performance bonuses paid during the year.	216	226	204	208
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The number of Responsible Persons whose remuneration fell within the following bands:

Nil\$	11	10	11	10
\$60,000 - \$89,999	-	-	-	-
\$90,000 - \$119,999	-	-	-	-
\$120,000 - \$129,999	-	-	-	-
\$140,000 - \$149,999	-	-	-	-
\$150,000 - \$159,999	-	-	-	-
\$160,000 - \$169,999	-	-	-	-
\$170,000 - \$179,999	-	-	-	-
\$180,000 - \$189,999	-	-	-	-
\$190,000 - \$199,999	-	-	-	-
\$200,000 - \$209,999	-	-	1	1
\$210,000 - \$219,999	1	-	-	-
\$220,000 - \$229,999	-	1	-	-

No member of the Board has received remuneration or retirement benefits during 2005-06.

The Minister for the Arts is remunerated by the State Government of Victoria.

	State Library of Victoria	
	2006	2005
	\$'000	\$'000
b) Contributions made to superannuation funds on behalf of responsible persons were:	10	10
c) Other Transactions of Responsible Persons and their Related Entities	None	

31 Executive Officer Remuneration

Total remuneration received by Executive Officers, other than the Chief Executive Officer, from the reporting entity in connection with the management of the reporting entity.	453	388
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Band	Total Remuneration		Base Remuneration	
	2006	2005	2006	2005
Less than \$99,999	-	2	-	2
\$100,000 - \$109,999	-	-	-	-
\$110,000 - \$119,999	-	-	-	-
\$120,000 - \$129,999	-	-	-	1
\$130,000 - \$139,999	-	1	2	1
\$140,000 - \$149,999	2	1	-	-
\$150,000 - \$159,999	1	-	1	-

Note	Consolidated		State Library of Victoria	
	2006	2005	2006	2005

32 Auditor Remuneration

Fees paid and payable to the Auditor-General for auditing the Financial Report

27,160	23,600	23,560	20,000
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The Auditor-General provided no other services.

33 Financial Instruments

a) Terms, Conditions and Accounting Policies

The Board's accounting policies, including the terms and conditions of each class of financial asset and financial liability, both recognised and unrecognised at balance date, are as follows:

Recognised Financial Instruments	Notes	Accounting Policies	Terms and Conditions
(i) Financial Assets			
Cash Assets	2	Cash is stated at cost.	The effective interest rate earned on cash holdings ranged from 0% to 5.43% paid for amounts over \$100,000.
Other Financial Assets	4	Short-term deposits are stated at the lower of cost and net realisable value.	An effective interest rate of 5.43% was earned.
Receivables	3	Receivables are carried at nominal amounts due less any provision for doubtful debts.	Settlement terms are 30 days.
(ii) Financial Liabilities			
Payables	9	Liabilities are recognised for amounts to be paid in the future for goods and services received, whether or not billed to the Board.	Trade liabilities are normally settled on 30-day terms.

The Board's exposure to interest rate risks and the effective interest rates of financial assets and financial liabilities, both recognised and unrecognised at balance date, are as follows:

b) Interest Rate Exposures

	Floating Interest Rate	Fixed Int Maturity 1 Yr or Less	Fixed Int Maturity 1 Yr to 5 Yrs	Equities	Non-Interest Bearing	Total Carrying Amount as Per Statement of Financial Position
Financial Instruments	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
(i) 30 June 2006						
Financial Assets						
Cash Assets	2,339	-	-	-	10	2,349
Other Financial Assets	16,573	-	-	8,983	-	25,556
Receivables	-	-	-	-	1,235	1,235
Total Financial Assets	18,912	-	-	8,983	1,245	29,140
Weighted Average Interest Rate	5.43%					
Financial Liabilities						
Payables	-	-	-	-	2,368	2,368
Lease Liabilities	-	84	23	-	-	107
Total Financial Liabilities	-	84	23	-	2,368	2,475
Weighted Average Interest Rate		6.5%	6.5%			

	Floating Interest Rate	Fixed Int Maturity 1 Yr or Less	Fixed Int Maturity 1 Yr to 5 Yrs	Equities	Non-Interest Bearing	Total Carrying Amount as Per Statement of Financial Position
	\$'000	\$'000	\$'000	\$'000	\$'000	\$'000
Financial Instruments						
State Library of Victoria						
Financial Assets						
Cash Assets	2,311	-	-	-	10	2,321
Other Financial Assets	12,900	-	-	-	-	12,900
Receivables	-	-	-	-	1,338	1,338
Total Financial Assets	15,211	-	-	-	1,348	16,559
Weighted Average Interest Rate	5.43%					
Financial Liabilities						
Payables	-	-	-	-	2,368	2,368
Lease Liabilities	-	84	23	-	-	107
Total Financial Liabilities	-	84	23	-	2,368	2,475
Weighted Average Interest Rate		6.5%	6.5%			
(ii) 30 June 2005						
Consolidated						
Financial Assets						
Cash Assets	295	-	-	-	100	395
Other Financial Assets	15,964	-	-	6,584	-	22,548
Receivables	-	-	-	-	2,924	2,924
Total Financial Assets	16,259	-	-	6,584	3,024	25,867
Weighted Average Interest Rate	5.25%					
Financial Liabilities						
Payables	-	-	-	-	859	859
Interest Bearing Liabilities	-	13	79	-	-	92
Total Financial Liabilities	-	13	79	-	859	951
Weighted Average Interest Rate		6.5%	6.5%			
State Library of Victoria						
Financial Assets						
Cash Assets	97	-	-	-	100	197
Other Financial Assets	13,100	-	-	-	-	13,100
Receivables	-	-	-	-	2,987	2,987
Total Financial Assets	13,197	-	-	-	3,087	16,284
Weighted Average Interest Rate	5.25%					
Financial Liabilities						
Payables	-	-	-	-	859	859
Interest Bearing Liabilities	-	13	79	-	-	92
Total Financial Liabilities	-	13	79	-	859	951
Weighted Average Interest Rate		6.5%	6.5%			

	Consolidated		State Library of Victoria	
	2006	2005	2006	2005
	\$'000	\$'000	\$'000	\$'000

c) Net Fair Values

The aggregate net fair value of financial assets and financial liabilities, both recognised and unrecognised, at balance date, are as follows:

(i) Financial Assets

Cash Assets	2,349	395	2,321	197
Other Financial Assets	25,556	22,548	12,900	13,100
Receivables	1,235	2,924	1,338	2,987
Total Financial Assets	29,140	25,867	16,559	16,284

(ii) Financial Liabilities

Payables	2,368	859	2,368	859
Lease Liabilities	107	92	107	92
Total Financial Liabilities	2,475	951	2,475	951

The following methods and assumptions are used to determine the net fair values of financial assets and financial liabilities:

Recognised financial instruments

Cash and Investments: The carrying amount approximates fair value because of their short-term maturity.

Receivables and Payables: The carrying amount approximates fair value.

d) Credit Risk Exposures

The Board's maximum exposure to credit risk at balance date in relation to each class of recognised financial asset is the carrying amount of those assets as indicated in the balance sheet.

Credit risk in trade receivables is managed in the following ways:

- payment terms are 30 days
- debt collection policies and procedures.

34 Impact of the Adoption of Australian Equivalents to International Financial Reporting Standards

The State Library of Victoria changed its accounting policies, other than its accounting policies for financial instruments, on 1 July 2004 to comply with A-IFRS. The transition to A-IFRS is accounted for in accordance with Accounting Standard AASB 1 'First-time Adoption of Australian Equivalents to International Financial Reporting Standards', with 1 July 2004 as the date of transition. The Library changed its accounting policies for financial instruments effective from 1 July 2005.

An explanation of how the transition from superseded policies to A-IFRS has affected the Library's financial position, financial performance and cash flows is set out in the following tables and the notes that accompany the tables.

	Note	Consolidated Superseded Policies \$'000	Effect of Transition to A-IFRS \$'000	A-IFRS \$'000
Effect of A-IFRS on the Balance Sheet as at 1 July 2004				
Current Assets				
Cash Assets		1,546	-	1,546
Receivables		479	-	479
Other Financial Assets		22,094	-	22,094
Other		416	-	416
Total Current Assets		24,535	-	24,535
Non-Current Assets				
Property, Plant and Equipment		393,627	-	393,627
Library Collections		304,528	-	304,528
Deferred Expenditure		550	-	550
Total Non-Current Assets		698,705	-	698,705
Total Assets		723,240	-	723,240
Current Liabilities				
Payables		3,403	-	3,403
Interest Bearing Liabilities		13	-	13
Provisions	(a)	4,001	-	4,001
Total Current Liabilities		7,417	-	7,417
Non-Current Liabilities				
Provisions		665	(6)	659
Interest Bearing Liabilities		93	-	93
Total Non-Current Liabilities		758	(6)	752
Total Liabilities		8,175	(6)	8,169
Net Assets		715,065	6	715,071
Equity				
Contributed Capital		534,688	-	534,688
Asset Revaluation Reserve		152,997	-	152,997
General Reserve		1,000	-	1,000
Donations and Bequests Reserve		9,215	-	9,215
Specific Purpose Grants Reserve		7,704	-	7,704
Accumulated Surplus		9,461	6	9,467
Total Equity		715,065	6	715,071

	Note	State Library of Victoria Superseded Policies	Effect of Transition to A-IFRS	A-IFRS
		\$'000	\$'000	\$'000
Effect of A-IFRS on the Balance Sheet as at 1 July 2004				
Current Assets				
Cash Assets		1,433	-	1,433
Receivables		479	-	479
Other Financial Assets		14,000	-	14,000
Other		416	-	416
Total Current Assets		16,328	-	16,328
Non-Current Assets				
Property, Plant and Equipment		393,627	-	393,627
Library Collections		304,528	-	304,528
Deferred Expenditure		550	-	550
Total Non-Current Assets		698,705	-	698,705
Total Assets		715,033	-	715,033
Current Liabilities				
Payables		3,403	-	3,403
Interest Bearing Liabilities		13	-	13
Provisions	(a)	4,001	-	4,001
Total Current Liabilities		7,417	-	7,417
Non-Current Liabilities				
Provisions		665	(6)	659
Interest Bearing Liabilities		93	-	93
Total Non-Current Liabilities		758	(6)	752
Total Liabilities		8,191	(6)	8,185
Net Assets		706,842	6	706,848
Equity				
Contributed Capital		534,688	-	534,688
Asset Revaluation Reserve		152,997	-	152,997
General Reserve		1,000	-	1,000
Donations and Bequests Reserve		1,737	-	1,737
Specific Purpose Grants Reserve		6,959	-	6,959
Accumulated Surplus		9,461	6	9,467
Total Equity		706,842	6	706,848

	Note	Consolidated Superseded Policies	Effect of Transition to A-IFRS	A-IFRS
		\$'000	\$'000	\$'000
Effect of A-IFRS on the Balance Sheet as at 30 June 2005				
Current Assets				
Cash Assets		395	-	395
Receivables		2,924	-	2,924
Other Financial Assets		22,547	-	22,547
Other		389	-	389
Total Current Assets		26,255	-	26,255
Non-Current Assets				
Property, Plant and Equipment		396,750	-	396,750
Library Collections		305,901	-	305,901
Deferred Expenditure		1	-	1
Total Non-Current Assets		702,652	-	702,652
Total Assets		728,907	-	728,907
Current Liabilities				
Payables		2,576	-	2,576
Interest Bearing Liabilities		13	-	13
Provisions		3,909	-	3,909
Total Current Liabilities		6,498	-	6,498
Non-Current Liabilities				
Provisions	(a)	814	(6)	808
Interest Bearing Liabilities		79	-	79
Total Non-Current Liabilities		893	(6)	887
Total Liabilities		7,391	(6)	7,385
Net Assets		721,516	6	721,522
Equity				
Contributed Capital		534,688	-	534,688
Asset Revaluation Reserve		152,285	-	152,285
General Reserve		1,000	-	1,000
Donations and Bequests Reserve		10,782	-	10,782
Specific Purpose Grants Reserve		8,307	-	8,307
Accumulated Surplus		14,454	6	14,460
Total Equity		721,516	6	721,522

	Note	State Library of Victoria Superseded Policies	Effect of Transition to A-IFRS	A-IFRS
		\$'000	\$'000	\$'000
Effect of A-IFRS on the Balance Sheet as at 30 June 2005				
Current Assets				
Cash Assets		197	-	197
Receivables		2,987	-	2,987
Other Financial Assets		13,100	-	13,100
Other		389	-	389
Total Current Assets		16,673	-	16,673
Non-Current Assets				
Property, Plant and Equipment		396,750	-	396,750
Library Collections		305,901	-	305,901
Deferred Expenditure		1	-	1
Total Non-Current Assets		702,652	-	702,652
Total Assets		719,325	-	719,325
Current Liabilities				
Payables		2,576	-	2,576
Interest Bearing Liabilities		13	-	13
Provisions		3,909	-	3,909
Total Current Liabilities		6,498	-	6,498
Non-Current Liabilities				
Provisions	(a)	814	(6)	808
Interest Bearing Liabilities		79	-	79
Total Non-Current Liabilities		893	(6)	887
Total Liabilities		7,391	(6)	7,385
Net Assets		711,934	6	711,940
Equity				
Contributed Capital		534,688		534,688
Asset Revaluation Reserve		152,285		152,285
General Reserve		1,000		1,000
Donations and Bequests Reserve		1,749		1,749
Specific Purpose Grants Reserve		7,758		7,758
Accumulated Surplus		14,454	6	14,460
Total Equity		711,934	6	711,940

	Note	Consolidated		A-IFRS
		Superseded Policies	Effect of Transition to A-IFRS	
		\$'000	\$'000	\$'000
Effect of A-IFRS on the Operating Statement as at 30 June 2005				
Revenue				
Output Appropriation				
- Current Nature		28,959	-	28,959
- Depreciation Equivalent		8,267	-	8,267
- Capital Asset Charge		35,731	-	35,731
Trading		3,143	-	3,143
Externally Funded Projects		4,953	-	4,953
Donations and Bequests		1,502	-	1,502
Investment Revenue		1,177	-	1,177
Realised/Unrealised Capital Gains		1,352	-	1,352
		85,084	-	85,084
Expenses				
Salaries and Related Expenses		22,944	6	22,938
Buildings and Facilities		4,653	-	4,653
Bad and Doubtful Debts		(2)	-	(2)
Professional and Finance		866	-	866
Realised/Unrealised Capital Losses		-	-	-
Borrowing Costs		6	-	6
Grants Distributed		771	-	771
Government Capital Assets Charge		35,731	-	35,731
Other Expenses from Ordinary Activities		6,908	-	6,908
Depreciation		6,195	-	6,195
Amortisation		549	-	549
Loss on Sale of Assets		12	-	12
		78,633	-	78,627
Net Result for the Period		6,451	-	6,457

	Note	State Library of Victoria Superseded Policies	Effect of Transition to A-IFRS	A-IFRS
		\$'000	\$'000	\$'000
Effect of A-IFRS on the Operating Statement as at 30 June 2005				
Revenue				
Output Appropriation				
- Current Nature		28,959	-	28,959
- Depreciation Equivalent		8,267	-	8,267
- Capital Asset Charge		35,731	-	35,731
Trading		3,097	-	3,097
Externally Funded Projects		4,953	-	4,953
Donations and Bequests		1,593	-	1,593
Investment Revenue		728	-	728
Realised/Unrealised Capital Gains		-	-	-
		83,328	-	83,328
Expenses				
Salaries and Related Expenses		22,740	6	22,734
Buildings and Facilities		4,650	-	4,650
Bad and Doubtful Debts		(2)	-	(2)
Professional and Finance		838	-	838
Realised/Unrealised Capital Losses		-	-	-
Borrowing Costs		6	-	6
Grants Distributed		771	-	771
Government Capital Assets Charge		35,731	-	35,731
Other Expenses from Ordinary Activities		6,746	-	6,746
Depreciation		6,195	-	6,195
Amortisation		549	-	549
Loss on Sale of Assets		12	-	12
		78,236	-	78,230
Net Result for the Period		5,092	-	5,098

Effect of A-IFRS on the Cash Flow Statement for the Financial Year ended 30 June 2006

There are no material differences between the Cash Flow Statement presented under A-IFRS and the Statement of Cash Flows presented under the superseded policies.

Note (a)

Employee Benefits. On adoption of A-IFRS, a distinction is made between short-term and long-term employee benefits and AASB 119 *Employee Benefits* requires liabilities for short-term employee benefits to be measured at nominal amounts and liabilities for long-term employee benefits to be measured at present value. AASB 119 defines short-term employee benefits as employee benefits that fall due wholly within 12 months after the end of the period in which the employees render the related service. Therefore, liabilities for employee benefits such as wages and salaries, annual leave and sick leave are required to be measured at present value where they are not expected to be settled within 12 months of the reporting date.