

# 2019 ANNUAL REPORT

READ NZ TE POU MURAMURA

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# Chair's Report



**Kia ora koutou. Talofa lava. Mālō e lelei.  
Bula Vinaka.**

I'm writing this just as Aotearoa New Zealand begins adapting to COVID-19 Alert Level 2 after seven weeks of self-isolation.

The bookshops are now open again – which is very exciting!

Self-isolation had a number of downsides. However, there were many upsides – including home-cooked meals, walking in the golden autumn weather enjoying the traffic-free silence, and having and getting time to read books.

Anecdotally, self-isolation meant that we truly did become a nation of readers. Here are some examples:

*“During lockdown, as I had to read so much non-fiction each day in my working life, I ended up reading novels when relaxing because I needed the escapism they provided.”*

*“I read ‘War Dog’ for an hour each day to my eight year-old grandson so his mother could work from home.”*

*“I turned the last page on Elizabeth Knox’s ‘The Absolute Book’ the other night with an audible sigh. It was a feast- a fantastical adventure in words brought to life so vividly, you feel like you can reach out and touch the flowers, the trees, the ravens – and, of course, the books.”*

The driving ambition of Read NZ Te Pou Muramura is to enable every Kiwi to expand themselves through memorable and enjoyable reading experiences like this – not only through unusual times and events but throughout their whole lives.

In 2019, the Board and the team made further progress on our journey towards this goal:

- We provided programming and financial support to more than twenty literary festivals and events and hosted Lani Wendt Young’s 2019 Read NZ Te Pou Muramura Lecture: *Stories from the Wild: Reading and Writing in the Digital Age*
- Through our celebrated Writers in Schools programme, thousands of Kiwi kids at schools up and down New Zealand were inspired by some of our best authors

# Chair's Report



- We delivered our Writers in Communities programme to five schools in South Auckland and the Hutt Valley
- Over 300 young people took part in our Speed Date an Author workshops in Carterton, Devonport, Fendalton, Oamaru and Parnell
- As part of our ongoing nationwide research in to Kiwis' reading habits, we published an acclaimed and comprehensive report on *Reading in the Digital Age*
- We launched the Super Smash Reading Challenge, with the support of NZ Cricket and Paper Plus
- After 47 years as the Book Council of New Zealand, we changed our name to Read NZ Te Pou Muramura – to reflect better our purpose and our work. We honour all of those whose vision created the New Zealand Book Council and we feel privileged to carry on their mahi.

I want to convey the Board's appreciation and thanks to Jo Cribb – who was our CEO for two very busy and fulfilling years. I'd like to extend a warm welcome to Juliet Blyth who replaced Jo as CEO in early 2020 – Juliet was General Manager of Vic Books for a number of years and was on the Board of Read New Zealand Te Pou Muramura for three years. Our thanks also go to Kathryn, Tanya

and Melissa for their hard work, commitment and unflinching good spirits over an intense year.

I'm very grateful to our diligent and collegial Board – all of whom give their time and energy so generously.

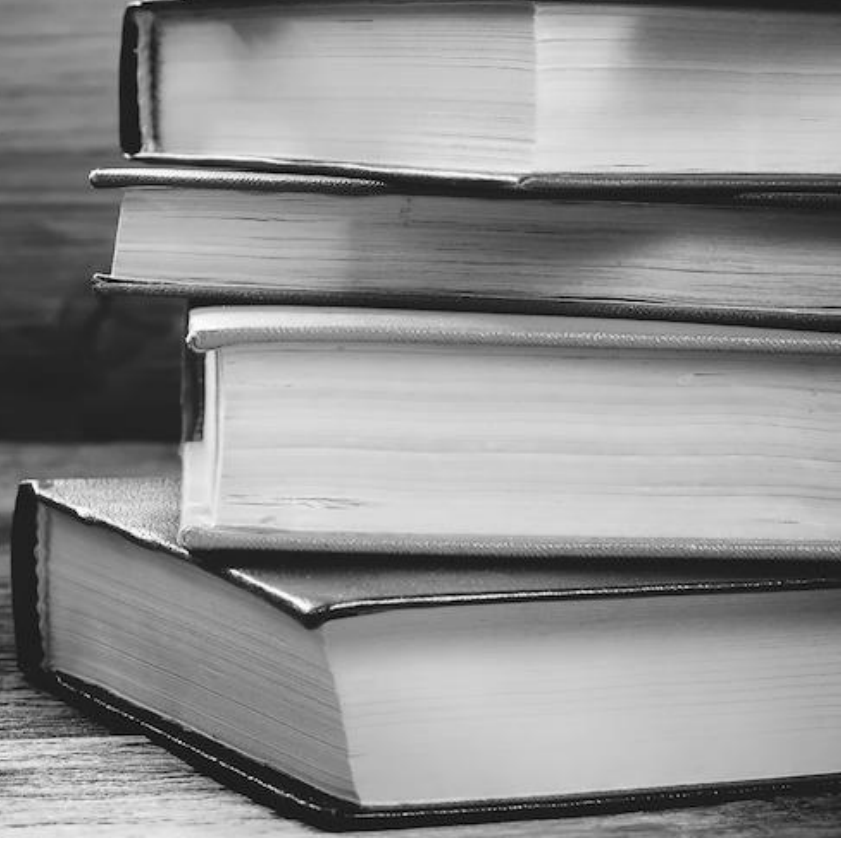
Finally, a sincere thank you for all those organisations and individuals who support our work and partner with us – especially our major funder, Creative New Zealand.

Ngā mihi nui



**Peter Biggs CNZM**  
**Chair**

# Chief Executive's Report



## Tēnā koutou katoa

Read NZ Te Pou Muramura is New Zealand's only national agency dedicated to reading for pleasure. We want more people to read more and experience the benefits of reading, for a better New Zealand.

We are proud to share with you our achievements in 2019.

Beginning with our youngest readers, in 2019 we inspired 58,614 children through more than 300 author visits in our Writers in Schools programme.

Through our Writers in Communities programme we engaged children and their wider community in reading and writing. In 2019 we delivered the Writers in Communities programme to five schools in South Auckland and Lower Hutt. The end result for each community was a beautifully produced book celebrating the student's voices.

We support schools and teachers in their important work in growing the next generation of readers. Every two months our School Library letter delivers

news of the latest books for children and young adults to more than 2,400 subscribers. We support our New Zealand authors and publishers by focusing mostly on new local titles.

In September 2019 we were excited to change our name from the NZ Book Council to Read NZ Te Pou Muramura. Our new name and identity will better reflect our work to promote reading through a range of programmes and campaigns, as well as a desire to remain truly relevant in a changing Aotearoa New Zealand. Our Māori name is based on the creation story's movement from darkness into light – a metaphor to describe what happens during the process of reading.

We are especially interested in encouraging children and young people who are reluctant readers to give it a go. In October 2019 we launched the Super Smash Reading Challenge with the support of NZ Cricket and Paper Plus. Aimed at children aged 5-14, the online reading competition attracted more than 1100 children across the summer months and encouraged many reluctant readers to pick up a book by making reading fun.

# Chief Executive's Report



To understand the reading habits of New Zealanders we undertake regular research and in 2019 we wanted to better understand New Zealanders' online reading behavior. Our report *Reading in the Digital Age* found that we spend half of our waking lives online, flick between multiple texts at any given time, and are less likely to engage in long text.

Our 2019 annual lecture was in keeping with the digital theme. Delivered by Lani Wendt Young, *Stories from the Wild: Reading and Writing in the Digital Age* was our most provocative yet, addressing representation in literature, gatekeeping in the publishing industry and how emerging digital technologies are disrupting traditional publishing and offering new opportunities for both readers and writers.

Having only recently joined the Read NZ team as CEO, I would like to acknowledge the work of previous CEO Jo Cribb, as well as the work of the Read NZ team – Kathryn, Melissa and Tanya in driving the Read NZ mission.

Sincere thanks also to our incredibly supportive Board led by Chair Peter Biggs, partners, funders and especially Creative New Zealand and Foundation North, our authors, schools and members.

Ngā mihi maioha



**Juliet Blyth**  
**CEO**  
**Read NZ Te Pou Muramura**

**Read NZ Te Pou Muramura Incorporated**

Performance Report

31 December 2019

# Read NZ Te Pou Muramura Incorporated Performance Report Contents For the year ended 31 December 2019

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## Read NZ Te Pou Muramura Incorporated Entity Information For the year ended 31 December 2019

### Legal name of entity

Read NZ Te Pou Muramura Incorporated (Effective September 2019)  
Previously New Zealand Book Council

### Type of entity and legal basis

Incorporated as a Charitable Trust under the Incorporated Societies Act 1908  
Registered as a Charity (registration number CC10844) under the Charities Act 2005

### Entity's purpose or mission statement

Building A Strong Reading Culture Within New Zealand Every Day

### Entity structure & governance

The trust is governed by a trust board of 8 trustees. The trust also has an audit committee

On the trust board:

Chairperson	Peter Biggs
Chair of the Audit and Risk Committee	Mark Fairey
Secretary	Jo Cribb
Trustee	Selina Tuitala Marsh
Trustee	Gavin Bishop
Trustee	Brian Steele
Trustee	Nadine Hura (From 22/05/2019)
Trustee	Peter Vial
Trustee	Juliet Blyth

The Audit Committee is made up of the Audit and Risk Committee, Chairperson, Secretary and 2 trustees

### Main sources of cash and resources

The trust receives cash or resources from:

>Memberships

### Main methods used by the entity to raise funds

The Board and CEO are largely responsible for fundraising. This involves occasional events for supporters (usually two – three annually along with funding applications to trusts and foundations, networking with potential donors, maintaining a good relationship with existing supporters.

### The entity's reliance on volunteers and donated goods or services

Read NZ Te Pou Muramura does not use volunteers or donated goods or services.



## Read NZ Te Pou Muramura Incorporated Entity Information For the year ended 31 December 2019

### Additional information

Independent Auditor	Moore Markhams Wellington Audit Wellington
Banker	ANZ Bank Auckland, New Zealand
Solicitor	Linda Clark

### Contact information

Registered Office	Ground Floor, 79 Boulcott Street, Wellington 6011
Postal Address	Ground Floor, 79 Boulcott Street, Wellington 6011
Website	<a href="http://www.read-nz.org">www.read-nz.org</a>
Facebook	<a href="https://www.facebook.com/readnztepoumuramura/">https://www.facebook.com/readnztepoumuramura/</a>
Twitter	<a href="https://twitter.com/nzbookcouncil">https://twitter.com/nzbookcouncil</a>
Phone	(04) 801 5546

Read NZ Te Pou Muramura Incorporated  
Statement of Service Performance  
For the year ended 31 December 2019

STATEMENT OF SERVICE PERFORMANCE 2019

Vision: Because Reading Changes Lives

Mission: Building A Strong Reading Culture Within New Zealand Every Day

Outcomes: We develop and implement activities and programmes which get more New Zealanders reading more and help to increase the readership for our local Kiwi writers

Outputs	Measure	2019 Achievement
<b>Foster a love of reading and writing – among the public and within educational settings</b>	<p>At least 75% of feedback from practitioners and schools taking part in the Writers in Schools gives the programme a rating of excellent or very good on Read NZ arrangements, writer preparation and overall experiences.</p> <p>Increased awareness of the value of reading for pleasure is achieved in each funding year during the term of the Agreement through:</p> <ul style="list-style-type: none"> <li>* Three discrete pieces of media coverage</li> </ul>	<p>98% of Schools rated their overall experience with Read NZ as Very Good or Excellent and 97% of schools rated the writers preparation as Very Good or Excellent.</p> <p>98% of Authors rated their experience with Read NZ as Very Good or Excellent.</p> <p>Read NZ continued to develop media relationships with: RNZ, The Herald, TV1 News, Pacific Media Network Radio and The Dominion Post.</p> <p>An interview by Karri Hay on Radio New Zealand about our sector support kit.</p> <p>Lani Wendt Young was interviewed about our 2019 Lecture in the Samoa Observer newspaper, on the Pacific Media Network radio and E-Tangata website.</p> <p>Our lecture was also the focus of a feature article in the Dominion Post, an interview on RNZ Afternoons and a slot on The Project (TV3).</p> <p>Our lecture was featured on The Spinoff, with a long extract from Lani's talk, and links to the Read NZ website.</p> <p>Our Writers in Communities project was the subject of a feature article in <i>Tui Motu</i> magazine</p> <p>Our Super Smash Reading Challenge was featured on RNZ Afternoons in October and was the subject of a feature article in <i>The Ministry of Ed's magazine to schools, the Education Gazette.</i></p> <p>A Men's Reading panel was established in 2019 to discuss why men are less likely to read than women. Following comments from the panel a series of interviews with prominent NZ men by Victor Rodger has been developed to launch as a social media campaign in early 2020</p>
<b>Raise the profile of New Zealand Literature, writers and the literary sector through a programme of events</b>	<p>* One new programme is created based on research we have undertaken or in response to needs of the sector</p>	<p>Facebook – 7788 an increase of 9%</p> <p>Twitter – 6360 an increase of 1%</p> <p>Instagram – 824 followers (new)</p> <p>Average open rate of our Newsletter in 2019 was 51%</p> <p>Website views = 221157 views. Average time spent on our individual pages of our website is 2 minutes. 18 seconds. 17 New Writers files developed.</p> <p>Three media campaigns were delivered in 2019 - #readnz, #readingforwellbeing and #readinginthedigitalage</p>
<b>Support the New Zealand Literary Sector through collaborative Initiatives and sharing resources, skills and knowledge</b>	<p>Deliver through a range of initiatives including the Sector Steering Group, partnership events and programmes, Word Christchurch and the National Library partnership events.</p>	<p>Read NZ again provided support to a number of writers festivals and sector conferences during 2019. NZ Book Council received 100% positive feedback from the organisations that we partnered with.</p> <p>Footage for a social media campaign to promote Men's reading was completed. The campaign will be launched in February 2020. During December the Super Smash Reading Challenge was developed to encourage children to read. Approx 1500 children took up the challenge.</p>
<b>Advocate on behalf of readers through a programme of campaigns</b>	<p>Receive 75% positive feedback through surveys and discussions with key partners on the value of our collaborations and partnerships.</p> <p>Deliver one major campaign promoting reading for pleasure annually.</p>	<p>In 2019, we commissioned Christchurch-based agency Research First to prepare our reading research. The report, <i>Reading in the Digital Age</i>, was released in early October at the Net Hui event held at Te Papa</p> <p>Read NZ provided support to 10 arts festivals, two public library events and a Literacy Association conference in 2019. NZ Book Council received 100% positive feedback from the organisations that we partnered with.</p> <p>Lani Wendt Young delivered the annual lecture to an audience of approx. 180 people. The theme of the lecture was reading in the digital age. The lecture has been broadcast on RNZ 3x since.</p>
<b>Organise a programme of events that help to raise the profile of New Zealand Writers</b>	<p>Partner with festivals and other event organisers around the country to deliver events and receive positive feedback on those collaboration from 80% of those partner organisations. Current event formats include:</p> <ul style="list-style-type: none"> <li>1. NZ Book Council Lecture: Delivered annually, a minimum of 60 people attend each time.</li> <li>2. True Stories Told Live: Delivered at least three times a year, a minimum of 50 people attend each time.</li> <li>3. Speed Date an Author: Delivered at least six times a year, a minimum of 40 people attend each time.</li> <li>4. Writers in Schools: A year round programme, reaches a minimum of 2,000 school students.</li> </ul>	<p>3x TSTL Events were held - Dunedin Writers &amp; Readers Festival as their Gala Opening Night event, the theme was "Distraction" and 230 people attended. Featherston Booktown, the theme was "A sense of place", 130 people attended. Read NZ AGM at Meow Bar - 80 People attended</p> <p>5x Speed Date an Author events were delivered in September through to November in Christchurch, Carterton, Oamaru and 2 events in Auckland. A total of 337 students attended.</p> <p>386 Writers in Schools programmes were delivered. 58 614 children have experienced a New Zealand author to inspire them to read and write. 92 authors were involved in programme delivery.</p>

STATEMENT OF SERVICE PERFORMANCE 2018

Vision: Because Reading Changes Lives

Mission: Building A Strong Reading Culture Within New Zealand Every Day

Outcomes: We develop and implement activities and programmes which get more New Zealanders reading more and help to increase the readership for our local Kiwi writers

Outputs	Measure	2018 Achievement
Foster a love of reading and writing – among the public and within educational settings	At least 75% of feedback from practitioners and schools taking part in the Writers in Schools gives the programme a rating of excellent or very good on Book Council arrangements, writer preparation and overall experiences.  Increased awareness of the value of reading for pleasure is achieved in each funding year during the term of the Agreement through:  * Three discrete pieces of media coverage	97.5% of schools that provided feedback said the visit met or exceeded expectations.  100% of writers participating in the Writers in Schools programme said that the Book Council arrangements were either excellent or very good.  NZ Book Council continued to grow its media coverage in 2018 developing relationships with RNZ, NZ Author, The Spinoff, The Education Gazette, Capital Magazine and the Dominion Post.  More Specifically NZ Book Council had coverage on RadioNZ Afternoons, Nine to Noon, RadioNZ Nights and RadioNZ Panel.  Jo Cribb, NZ Book Council CEO was interviewed on ABC Canberra.  Articles were featured in NZ Author Magazine, The Spinoff Website, The Education Gazette, Capital Magazine and the Dominion Post.  As a result of the Young Man Reading campaign NZ Book Council partnered with Colenso and Val Morgan to develop a book trailer for Fantastic Beasts.
Raise the profile of New Zealand literature, writers and the literary sector through a programme of events and by ensuring relevant information is widely available	* One new programme is created based on research we have undertaken or in response to needs of the sector  Twitter and Facebook followers have grown by 10% and our existing open rates of 40% for the newsletter are maintained.  Promote NZ writers through www.bookcouncil.org.nz and www.booknotes-unbound.org.nz. Atract 250,000 unique page views across both websites.	Current Facebook followers = 5799 Current Twitter Followers = 6101 Average open rate for E-News is 44.95% 192,955 unique page views across website Writers Files are the most visited pages. 33 New Writers files were added to our website in 2018
Support the New Zealand Literary Sector through collaborative initiatives and sharing resources, skills and knowledge	Deliver through a range of initiatives including the Sector Steering Group, partnership events and programmes, including events such as the IBBY Congress, Word Christchurch and the National Library partnership events.  Receive 75% positive feedback through surveys and discussions with key partners on the value of our collaborations and partnerships.	Three Sector campaigns were run in 2018 - #readto succeed focusing on reluctant adult readers, #readNZ - focus on reading NZ Books and #lovelibraries - promoting our city libraries.  NZ Book Council provided support to a number of writers festivals and sector conferences during 2018. NZ Book Council received 100% positive feedback from the organisations that we partnered with.
Advocate on behalf of readers through a programme of campaigns	Deliver one major campaign promoting reading for pleasure annually.  Undertake qualitative and quantitative research into reading and book-buying habits of New Zealanders.	#readnz is a collaborative project with publishers, booksellers, festivals, authors and CNZ to encourage New Zealanders to read NZ books. During 2018 we published a range of articles and interviews with NZ writers on the topic of reading local. We have held weekly NZ Book Giveaways on social media, we participated in NZ Book Shop day and together with Booksellers published a 2018 Christmas book list. #ReadNZ was a "trending hashtag" on Twitter on several occasions during 2018.  Our reading research was released in August 2018. The research showed a continued drop in reading in NZ particularly in the 45-55 year olds and fewer kiwi men are reading books.
Organise a programme of events that help to raise the profile of New Zealand Writers	Partner with festivals and other event organisers around the country to deliver events and receive positive feedback on those collaboration from 80% of those partner organisations. Current event formats include:  1. NZ Book Council Lecture. Delivered annually, a minimum of 60 people attend each time. 2. True Stories Told Live. Delivered at least three times a year, a minimum of 50 people attend each time. 3. Speed Date an Author. Delivered at least six times a year, a minimum of 40 people attend each time. 4. Writers in Schools. A year round programme, reaches a minimum of 2,000 school students.	NZ Book Council provided support to a number of writers festivals and sector conferences during 2018. This included NZSA National Writers Forum, Manawatu Writers Festival, NZ Young Writers Festival, SLANZA Conference, Hawkes Bay Readers and Writers Festival, South Auckland Writers Festival, LitCraw!, Storylines national story tour and Nelson Arts Festival. NZ Book Council received 100% positive feedback from the organisations that we partnered with. 2018 Lecture was attended by approximately 120 people. The lecture was given by Joy Cowley with the "The Power of Story". Four True Story Told Live events were held with attendances at each event exceeded 100. Five Speed Date an Author events were held. 309 Writers in schools visits were delivered in 2018 reaching 57,300 school students.

Read NZ Te Pou Muramura Incorporated  
Statement of Financial Performance  
For the year ended 31 December 2019

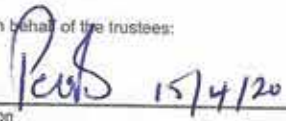
	Note	2019	2018
<b>Revenue</b>			
Donations, fundraising and other similar revenue	1	24,552	21,852
Fees, subscriptions and other revenue from members	1	58,675	55,601
Revenue from providing goods or services	1	574,161	552,397
Interest, dividends and other investment revenue	1	2,048	2,465
<b>Total Revenue</b>		<b><u>659,436</u></b>	<b><u>632,315</u></b>
<b>Expenses</b>			
Expenses related to public fundraising	2	5,864	726
Volunteer and employee related costs	2	302,587	286,023
Costs related to providing goods or services	2	69,863	79,801
Programme delivery costs	2	252,485	223,533
Other expenses	2	13,094	10,463
<b>Total Expenses</b>		<b><u>643,892</u></b>	<b><u>600,546</u></b>
<b>Surplus/(deficit) for the year</b>		<b><u>15,544</u></b>	<b><u>31,769</u></b>

The accompanying notes form part of these financial statements.

Read NZ Te Pou Muramura incorporated  
Statement of Financial Position  
As at 31 December 2019

Assets	Note	2019	2018
<b>Current Assets</b>			
Bank accounts and cash	3	176,375	146,352
Debtors and prepayments	3	16,455	13,509
<b>Total Current Assets</b>		<b>192,830</b>	<b>159,861</b>
<b>Non-Current Assets</b>			
Property, plant and equipment	5	9,465	11,068
Intangible assets	6	21,529	30,113
<b>Total Non-Current Assets</b>		<b>30,994</b>	<b>41,181</b>
<b>Total Assets</b>		<b>223,824</b>	<b>201,042</b>
<b>Liabilities</b>			
<b>Current Liabilities</b>			
Creditors and accrued expenses	4	20,711	44,200
Employee costs payable	4	11,707	12,402
Unused donations and grants with conditions	4	51,677	20,170
<b>Total Current Liabilities</b>		<b>84,095</b>	<b>76,772</b>
<b>Total Liabilities</b>		<b>84,095</b>	<b>76,772</b>
<b>Total Assets less Total Liabilities (Net Assets)</b>		<b>139,729</b>	<b>124,270</b>
<b>Accumulated Funds</b>			
Capital Contributed by owners or members		124,185	92,501
Accumulated surplus/(deficit)	7	15,544	31,769
<b>Total Accumulated Funds</b>		<b>139,729</b>	<b>124,270</b>

For and on behalf of the trustees:

  
Chairperson

  
Executive Council Member

  
Chief Executive

  
Date authorised for issue

The accompanying notes form part of these financial statements.

Read NZ Te Pou Muramura Incorporated  
Statement of Cash Flows  
For the year ended 31 December 2019

	Note	2019	2018
<b><u>Cash flows from operating activities</u></b>			
<b>Cash was received from:</b>			
Donations, fundraising and other similar receipts	1	24,552	21,852
Fees, subscriptions and other receipts from members	1	58,765	51,474
Revenue from providing goods or services		610,656	556,892
Interest, dividends and other investment receipts	1	2,048	2,465
<b>Total</b>		<b><u>696,021</u></b>	<b><u>632,683</u></b>
<b>Cash was applied to:</b>			
Payments to suppliers and employees		(383,595)	(463,445)
Payments for programme delivery		(256,586)	(159,119)
Internal Revenue Department for GST payable		(22,911)	(1,473)
<b>Net cash flows from operating activities</b>		<b><u>32,929</u></b>	<b><u>8,646</u></b>
<b><u>Cash flows from investing and financing activities</u></b>			
<b>Cash was received from:</b>			
		-	-
<b>Cash was applied to:</b>			
Payments to purchase equipment		(2,906)	-
Payments to purchase intangibles		-	(12,210)
<b>Net cash flows from investing and financing activities</b>		<b><u>(2,906)</u></b>	<b><u>(12,210)</u></b>
<b>Net increase/(decrease) in cash</b>		<b>30,023</b>	<b>(3,563)</b>
Opening bank accounts and cash		146,352	149,915
<b>Closing bank accounts and cash</b>		<b><u>176,375</u></b>	<b><u>146,352</u></b>
Bank accounts and cash	3	<b><u>176,375</u></b>	<b><u>146,352</u></b>

Read NZ Te Pou Muramura Incorporated  
Statement of Accounting Policies  
For the year ended 31 December 2019

## Basis of preparation

Read NZ Te Pou Muramura has elected to apply PBE SFR-A (NFP) *Public Benefit Entity Simple Format Reporting - Accrual (Not for profit)* on the basis that it does not have public accountability and has total annual expenses of equal to or less than \$2,000,000. All transactions in the Performance Report are reported using the accrual basis of accounting. The Performance Report is prepared under the assumption that the entity will continue to operate in the foreseeable future.

### Good and Services Tax (GST)

All amounts are recorded exclusive of GST, except for Debtors and Creditors which are stated inclusive of GST.

## Specific Accounting Policies

### > Income Tax

Read NZ Te Pou Muramura is a registered charitable entity under the Charities Act 2005, and accordingly is exempt from income tax under sections CW41 and CW42 of the Income Tax Act 2007.

### > Bank accounts and cash

**Bank accounts and cash** in the Statement of Cash Flows comprise cash balances and bank balances (including short term deposits) with original maturities of 90 days or less.

### > Revenue recognition

\* **Interest** is accounted for on an accrual basis.

\* **Revenue from Grants** is recognised when the grant conditions have been met. Any funding received where conditions are not met is recognised as a liability at balance date.

\* **Receipts for Donations** are recorded when cash received.

\* **Revenue from Sale of Services** is recognised in the period the services were provided.

\* **Individual Membership revenue** is recorded as revenue when cash received.

\* **School Membership revenue** is recognised for the period to which it relates. Any amounts received in advance are recorded as a liability at balance date.

### > Annual leave liability

A liability of annual leave is accrued and recognised in the statement of financial position. The liability is equal to the present value of the estimated future cashflows as a result of employee services provided at balance date.

### > Accounts receivable

Property, plant and equipment consists of the following asset classes: office furniture, fixtures and fittings, office equipment and computer equipment.

Individual assets, or groups of assets, are capitalised if their cost is greater than \$500 (excluding GST).

Depreciation is calculated using the straight line method and has been charged in the financials as follows:

- Furniture: 20%
- Office equipment: 20%
- Computer equipment: 20%

Fixed assets are recorded at cost less accumulated depreciation and are reviewed for impairment annually.

### >Intangible assets

Software and website development costs are capitalised as an intangible asset on the basis of the costs incurred to develop and bring to use the software/website. Costs associated with maintaining the software/website are recognised as an expense when incurred. Intangible assets are capitalised if its cost is \$500 (excluding GST) or more.

In 2019 the New Zealand Book Council underwent a rebrand and changed its name to Read NZ Te Pou Muramura Incorporated. Costs to create and trademark the new brand have been capitalised as an intangible asset.

Amortisation is calculated using the Straight Line Method and has been charged in the financials as follows:

- Software: 40%
- Website: 20%
- Brand & Trademark: 25%

Intangible assets are recorded at cost less accumulated depreciation and are reviewed for impairment annually.

## Specific Accounting Policies

The Amortisation policy has been updated to add a new category and associated amortisation rate.

All other policies remain unchanged from the previous year.

Read NZ Te Pou Muramura Incorporated  
Notes to the Performance Report  
For the year ended 31 December 2019

Note 1: Analysis of Revenue

<u>Revenue Item</u>	<u>Analysis</u>	2019	2018
<b>Donations, fundraising and other similar revenue</b>			
	Donations	24,552	21,852
	<b>Total</b>	<b>24,552</b>	<b>21,852</b>
<b>Fees, subscriptions and other revenue from members</b>			
	Individual memberships	10,705	11,095
	School memberships	47,970	44,506
	<b>Total</b>	<b>58,675</b>	<b>55,601</b>
<b>Revenue from providing goods or services</b>			
	Creative New Zealand (CNZ)	386,250	375,000
	Foundation North	70,833	64,000
	Lion Foundation	8,062	13,000
	PUB Charity	-	11,392
	Sundry Grants	26,988	11,013
	CNZ Oranga Tamariki Funding	20,604	-
	Community Projects	-	34,000
	Peppercorn Press Contract	8,217	7,533
	Ministry for Children	-	4,420
	Ministry of Education	31,900	-
	Other Income	5,439	-
	Speed Dates	4,861	3,763
	Writers in Schools	11,007	28,276
	<b>Total</b>	<b>574,161</b>	<b>552,397</b>
<b>Interest, dividends and other investment revenue</b>			
	<b>Total interest received</b>	<b>2,048</b>	<b>2,465</b>
		<b>659,436</b>	<b>632,315</b>

Note 2: Analysis of Expenses

<u>Expense Item</u>	<u>Analysis</u>	2019	2018
	Subscriptions	601	562
	Training	-	164
	Fundraising and Membership	5,263	-
	<b>Total</b>	<b>5,864</b>	<b>726</b>
<b>Volunteer and employee related costs</b>			
	Salary and wages	299,261	283,717
	Recruitment	-	1,425
	ACC Levies	1,045	881
	Staff training	2,281	-
	<b>Total</b>	<b>302,587</b>	<b>286,023</b>
<b>Costs related to providing goods or services</b>			
	Board	2,766	2,329
	Rent	14,489	13,737
	Operating costs	47,305	57,946
	Auditing fee	5,303	5,789
	<b>Total</b>	<b>69,863</b>	<b>79,801</b>
<b>Programme delivery costs</b>			
	Annual Lecture	9,870	6,213
	Men's Reading Project	8,954	-
	Playwrights in schools	700	400
	Research	23,354	23,240
	Sector collaboration	12,769	12,976
	Speed Dates	8,173	5,080
	True Stories Told Live	1,787	2,225
	WOW	5,000	5,000
	Writers in Communities	19,693	34,828
	Writers in Schools	118,839	112,583
	Writers in Youth Justice	18,552	58
	Young Mens Reading	24,794	20,931
	<b>Total</b>	<b>252,485</b>	<b>223,533</b>
<b>Other expenses</b>			
	Depreciation and amortisation	13,094	10,463
	<b>Total</b>	<b>13,094</b>	<b>10,463</b>
<b>Total Expenses</b>		<b>643,892</b>	<b>600,546</b>



Read NZ Te Pou Muramura Incorporated  
Notes to the Performance Report  
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**Note 3: Analysis of Assets**

<u>Asset Item</u>	<u>Analysis</u>	<b>2019</b>	<b>2018</b>
<b>Bank accounts and cash</b>			
	Read NZ On-call	152,153	118,892
	Read NZ Savings	-	-
	Read NZ Trading	24,222	27,460
	<b>Total</b>	<b>176,375</b>	<b>146,352</b>
	<i>Read NZ Holds an overdraft facility of \$40,000 with ANZ Bank.</i>		
	<i>Amount of Overdraft facility utilised at year end:</i>	-	-
<b>Debtors and prepayments</b>			
	Accounts receivable	4,566	7,840
	Prepayments	4,518	5,669
	Book Council Visa	2,579	-
	GST	4,793	
	<b>Total</b>	<b>16,455</b>	<b>13,509</b>
<b>Total Current Assets</b>		<b>192,830</b>	<b>159,861</b>

**Note 4: Analysis of Liabilities**

<u>Liabilities Item</u>	<u>Analysis</u>	<b>2019</b>	<b>2018</b>
	Accounts payable	3,122	5,301
	Book Council Visa	-	3,098
	GST payable	-	18,297
	Peppercorn Press	-	44
	Accrued Expenses	17,588	17,545
	<b>Total</b>	<b>20,711</b>	<b>44,285</b>
<b>Employee costs payable</b>			
	Annual leave accrual	6,359	6,119
	Salary and wage accrual	5,348	6,283
	<b>Total</b>	<b>11,707</b>	<b>12,402</b>
<b>Unused donations and grants with conditons</b>			
	Grants in advance	51,407	15,580
	Memberships received in advance	270	4,590
	<b>Total</b>	<b>51,677</b>	<b>20,170</b>
<b>Total Current Liabilities</b>		<b>84,095</b>	<b>76,857</b>

Read NZ Te Pou Muramura Incorporated  
Notes to the Performance Report  
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**Note 5: Property, Plant and Equipment (PPE)**

**2019**

<b>Asset Class</b>	<b>Opening carrying amount</b>	<b>Purchases</b>	<b>Sales/ (Disposals)</b>	<b>Current year depreciation</b>	<b>Closing carrying amount</b>
Computer equipment	2,655	2,906	-	2,449	3,112
Furniture	5,142	-	-	1,505	3,637
Office equipment	3,271	-	-	556	2,715
<b>Total</b>	<b>11,068</b>	<b>2,906</b>	<b>-</b>	<b>4,509</b>	<b>9,465</b>

**2018**

<b>Asset Class</b>	<b>Opening carrying amount</b>	<b>Purchases</b>	<b>Sales/ (Disposals)</b>	<b>Current year depreciation</b>	<b>Closing carrying amount</b>
Computer equipment	3,622	-	-	967	2,655
Furniture	6,646	-	-	1,504	5,142
Office equipment	4,598	-	-	1,327	3,271
<b>Total</b>	<b>14,866</b>	<b>-</b>	<b>-</b>	<b>3,798</b>	<b>11,068</b>

Read NZ Te Pou Muramura Incorporated  
Notes to the Performance Report  
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Note 6: Intangible Assets

2019

Asset Class	Opening carrying amount	Purchases	Sales/ (Disposals)	Current year amortisation	Closing carrying amount
Software-Membership system	11,688	-	-	2,442	9,246
Website	18,425	-	-	6,142	12,283
<b>Total</b>	<b>30,113</b>	<b>-</b>	<b>-</b>	<b>8,584</b>	<b>21,529</b>

2018

Asset Class	Opening carrying amount	Purchases	Sales/ (Disposals)	Current year amortisation	Closing carrying amount
Software-Membership system	-	12,210	-	522	11,688
Website	24,568	-	-	6,143	18,425
<b>Total</b>	<b>24,568</b>	<b>12,210</b>	<b>-</b>	<b>6,665</b>	<b>30,113</b>

Read NZ Te Pou Muramura Incorporated  
Notes to the Performance Report  
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**Note 7: Changes in Accumulated Funds  
2019**

<b>Description</b>	<b>Capital Contributed by</b>		<b>Reserves</b>	<b>Total</b>
	<b>Owners or Members</b>	<b>Accumulated Surplus/ (deficit)</b>		
Opening Balance	-	124,270	-	124,270
Capital contributed by owners or members	-	-	-	-
Capital returned to owners or members	-	-	-	-
Surplus/(deficit)	-	15,544	-	15,544
Distributions paid to owners or members	-	-	-	-
Transfer to Reserves	-	-	-	-
Transfer from Reserves	-	-	-	-
<b>Closing Balance</b>	-	<b>139,814</b>	-	<b>139,814</b>

**2018**

<b>Description</b>	<b>Capital Contributed by</b>		<b>Reserves</b>	<b>Total</b>
	<b>Owners or Members</b>	<b>Accumulated Surplus/ (deficit)</b>		
Opening Balance	-	92,501	-	92,501
Capital contributed by owners or members	-	-	-	-
Capital returned to owners or members	-	-	-	-
Surplus/(deficit)	-	31,769	-	31,769
Distributions paid to owners or members	-	-	-	-
Transfer to Reserves	-	-	-	-
Transfer from Reserves	-	-	-	-
<b>Closing Balance</b>	-	<b>124,270</b>	-	<b>124,270</b>

Read NZ Te Pou Muramura Incorporated  
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**Note 8: Commitments**

<u>Type of commitment</u>	<u>Explanation and Timing</u>	2019	2018
Office rent	The office was evacuated from its premises at 79 Boulcott Street, Wellington in April 2018 for earthquake strengthening and returned on 1 May 2019. No Rental Payments were made from 31 January to 30 April 2019.		
		Current	16,350
		6,816	
	The lease is due for renewal 1 June 2020.	Non-Current	6,823
		-	
	<b>Total Commitments</b>	<b>6,816</b>	<b>23,173</b>

**Note 9: Contingent Liabilities**

At balance date there were no known contingent liabilities (2018: \$nil).

**Note 10: Related Party transactions**

<u>Description of relationship</u>	<u>Description of transaction</u>	2019	2018
Transactions with trustees	Trustees were paid salaries for services rendered:		
	- Selina Marsh	639	300
	- Gavin Bishop	630	230
	<b>Total related party transactions</b>	<b>1,269</b>	<b>530</b>

There are no amounts due from or to related parties at balance date (2018: \$nil).

**Note 11: Events after balance date**

Mary-Anne Wolf was scheduled to deliver the 2020 Read NZ Lecture. Due to unforeseen circumstances the lecture for 2020 has been cancelled. \$4,688 expenditure had been incurred in 2019. (2018: \$nil)

**Note 12: Other disclosures**

**Goods and services provided to the trust in kind**

Read NZ Te Pou Muramura does not use volunteers or donated goods and services (2018: nil)

**Assets used as security for liabilities**

No assets have been used as security for liabilities at reporting date (2018: \$nil).

**Note 13: Reclassification of Comparatives**

Certain reclassification's have been made to the prior year's Statement of Financial Performance, and related notes to the Statement of Financial Performance, to more appropriately align the allocation of expenditure.

Comparative figures have been adjusted to conform to the current year's presentation.

# Independent auditor's report

## To the Members of Read NZ Te Pou Muramura Incorporated

### Opinion

We have audited the accompanying performance report of Read NZ Te Pou Muramura Incorporated on pages 3 to 16, which comprises the entity information, the statement of service performance, the statement of financial performance and statement of cash flows for the year ended 31 December 2019, the statement of financial position as at 31 December 2019, and the statement of accounting policies and notes to the performance report.

In our opinion:

- a) the reported outcomes and outputs, and quantification of the outputs to the extent practicable, in the statement of service performance are suitable
- b) the accompanying performance report presents fairly, in all material respects:
  - the entity information for the year then ended
  - the service performance for the year then ended, and
  - the financial position of Read NZ Te Pou Muramura Incorporated as at 31 December 2019, and its financial performance, and cash flows for the year then ended

in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board.

### Basis for Opinion

We conducted our audit of the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report in accordance with International Standards on Auditing (New Zealand) (ISAs (NZ)), and the audit of the entity information and statement of service performance in accordance with the International Standard on Assurance Engagements (New Zealand) ISAE (NZ) 3000 (Revised). Our responsibilities under those standards are further described in the 'Auditor's responsibilities for the audit of the performance report' section of our report.

We are independent of Read NZ Te Pou Muramura Incorporated in accordance with Professional and Ethical Standard 1 (Revised) 'Code of ethics for assurance practitioners' issued by the New Zealand Auditing and Assurance Standards Board, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other than our capacity as auditor we have no relationship with, or interests in, Read NZ Te Pou Muramura Incorporated.

### Board's responsibilities for the performance report

The Board are responsible for:

- a) Identifying outcomes and outputs, and quantifying the outputs to the extent practicable, that are relevant, reliable, comparable and understandable, to report in the statement of service performance
- b) the preparation and fair presentation of the performance report on behalf of Read NZ Te Pou Muramura Incorporated which comprises:

- the entity information
  - the statement of service performance; and
  - the statement of financial performance, statement of financial position, statement of cash flows, statement of accounting policies and notes to the performance report in accordance with Public Benefit Entity Simple Format Reporting – Accrual (Not-For-Profit) issued by the New Zealand Accounting Standards Board, and
- c) for such internal control as the Board determine is necessary to enable the preparation of the performance report that is free from material misstatement, whether due to fraud or error.

In preparing the performance report, the Board are responsible on behalf of Read NZ Te Pou Muramura Incorporated's for assessing Read NZ Te Pou Muramura Incorporated's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board either intend to liquidate Read NZ Te Pou Muramura Incorporated or to cease operations, or have no realistic alternative but to do so.

#### **Auditor's responsibilities for the audit of the performance report**

Our objectives are to obtain reasonable assurance about whether the performance report is free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (NZ) and ISAE (NZ) 3000 (Revised) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the decisions of users taken on the basis of the performance report.

As part of an audit in accordance with ISAs (NZ) and ISAE (NZ) 3000 (Revised), we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the performance report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of Read NZ Te Pou Muramura Incorporated's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the use of the going concern basis of accounting by the Board and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on Read NZ Te Pou Muramura Incorporated's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the performance report or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause Read NZ Te Pou Muramura Incorporated to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the performance report, including the disclosures, and whether the performance report represents the underlying transactions and events in a manner that achieves fair presentation.
- Perform procedures to obtain evidence about and evaluate whether the reported outcomes and outputs, and quantification of the outputs to the extent practicable, are relevant, reliable, comparable and understandable.

We communicate with the Board regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

This report is made solely to the members of Read NZ Te Pou Muramura Incorporated. Our audit has been undertaken so that we might state to the members those matters we are required to state to them in an auditors' 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 members, for our audit work, for this report, or for the opinions we have formed.

*Moore Markhams*

**Moore Markhams Wellington Audit** | Qualified Auditors, Wellington, New Zealand  
15 April 2020



# Sponsor Acknowledgements

