



NEW ZEALAND BOOK COUNCIL

Te Kaunihera Pukapuka o Aotearoa

ANNUAL REPORT 2014

Level 4, Stephenson & Turner House
156 Victoria St
Te Aro, Wellington 6011

Phone:	+64 4 801 5546
Website:	www.bookcouncil.org.nz
Email:	reception@bookcouncil.org.nz
Blog:	www.booknotes-unbound.org.nz
Facebook:	https://www.facebook.com/NewZealandBookCouncil
Twitter:	https://twitter.com/nzbookcouncil

Chair's Report

Kia ora tātou

It is with great pleasure that I present the Chair's report for the New Zealand Book Council and its activities and achievements in 2015.

The New Zealand Book Council is the country's leading national charity dedicated to supporting our reading and writing culture. Our mission is to champion the lifelong engagement of New Zealanders in reading, and to lead the promotion and nurturing of New Zealand writers, writing and books. We believe books can transform lives and enrich our communities.

The National Literacy Trust has released research which shows that interacting with others over books develops social and oral skills, leading to increased social interaction and oral language development, becoming a source of pleasure throughout life.¹ That's why we start early with young readers. Through our *Writers in Schools* and *Words on Wheels* programmes, we connect writers with young readers in schools, from the inner city to remote rural classrooms.

We are dedicated to inspiring a love of reading amongst children because we know the difference this makes to young lives. OECD research shows reading for pleasure is the single most important indicator of a child's future success - it's even a more powerful

¹ [Reading for Pleasure, A Research Overview](#) Clark, C & Rumbold, K, National Literacy Trust, UK (2006)

factor in life achievement than socio-economic background.²

The National Literacy Trust's research also shows that reading for pleasure at school is strongly influenced by relationships between teachers and children, and children and families.³ Parents are influential in developing early reading for enjoyment, and if books are valued from a young age, this is likely to continue. We need to take a collective and collaborative approach across school and community. This is why our *Books and Brekkie* programme is so important. *Books and Brekkie* enables children, their family and whānau to meet a writer over breakfast and discuss reading and writing.

Another collaborative approach we take is our Reading Doctor articles, which appear regularly on our online literary hub *Booknotes Unbound*. Acclaimed children and young adult's author Kate de Goldi is the New Zealand Book Council's resident Reading Doctor and children's books specialist. People that need reading recommendation help and inspiration for the young people in their lives can write to Kate's column.

Studies have found that exposure to fiction increases empathy, as well as having a positive correlation with

² [Reading for Change: Performance and Engagement across Countries](#) Results from PISA 2000

³ [Reading for Pleasure, A Research Overview](#) Clark, C & Rumbold, K, National Literacy Trust, UK (2006)

social support.⁴ Reading for pleasure has health benefits including reducing stress: Mindlab International's research found that tension eased and heart rates slowed down in subjects who read silently for as little as six minutes.⁵

These benefits are huge, which is why our programmes for adults are so important. We encourage a strong reading culture in New Zealand through our online hub *Booknotes Unbound* and our podcast *Talking Books*. They provide national platforms to encourage our intellectual life and promote the power of reading.

Our stories shape our culture and identity as New Zealanders – our *True Stories Told Live* storytelling events bring writers, artists, musicians, and politicians to New Zealand audiences around the country. Through this initiative, we make valuable connections between our country's artists and the wider community - and provide opportunities for wider exposure of their work and inspiration for new work.

Through its Board and work, the Book Council is Aotearoa New Zealand's only organisation which represents and works for the entire literary sector - readers, writers, publishers, Maori, Pasifika and book sellers. I feel

privileged to chair a very committed and generous Board, and I would like to like to acknowledge and thank them for their contribution over the past year: Lincoln Gould (Deputy Chair), Gavin Bishop, Paora Tibble, Julia Marshall, Andrew Caisley, Mark Fairey, Selina Tusitala Marsh, Brian Steele, Liz Knowles and John Allen.

As well, I would like to recognise our indefatigable Chief Executive, Catriona Ferguson, and thank her and her team for their efforts and dedication – day in and day out – on behalf of New Zealand's readers and writers and all those who inspire and support them.

Ngā mihi nui
Peter Biggs

Chair

⁴ [Communications. Volume 34, Issue 4, Pages 407–428](#), ISSN (Online) 1613-4087, ISSN (Print) 0341-2059, DOI: [10.1515/COMM.2009.025](#), December 2009

⁵ [Reading 'can help reduce stress'](#) from Mindlab International at the University of Sussex.

Chief Executive's Report

Kia ora tātou

The nice thing about producing an annual report is that it gives us the opportunity to boast a little. And there's been plenty to boast about in 2014.

Our much-loved *Writers in Schools* programme delivered more events than ever – we brought 70 writers face-to-face with more than 40,000 students from 400 schools the length and breadth of the country – in hundreds of workshops, readings, talks and discussions.

Teachers, children, librarians, and writers genuinely value *Writers in Schools* – we know this because every event is evaluated, and the feedback helps us to plan for future activity. The programme is unique because it takes writers directly into schools, creating the opportunity for readers to be inspired by their literary heroes in a familiar environment. We offer schools and communities the chance to devise a programme that they know will work for them; events range from the small and intimate to the busy and bustling, depending on what suits the school and its students. And the schools we work with – whether it's a small rural primary school in the far north or a busy urban high school in South Auckland – tell us this is what makes

the *Writers in Schools* programme so special. As Witi Ihimaera noted recently: *Not only does the Book Council talk the talk, it walks the talk [...] A real author in the classroom? You can't get better than that.'*

In the past year, we've been working hard on building an archive of high-quality video resources based around those school events, and they're becoming a growing online resource. Also online, bigger and brighter than ever, is our relaunched school-focused blog *The School Library*, providing news, views, and reviews on Kiwi writing.

School teachers, librarians and students are also among the 200,000 people from here and abroad who continue to make good use of our unique and authoritative online resources, especially our valued Writers Files – reliable, up-to-date and objective critiques of more than 500 writers.

Any year at the Book Council involves building on our existing programmes of work, but also looking for opportunities to try entirely new things. We launched The World War One Bookclub in Wellington, a project which explored the impact of writing from the First World War and featured a mixture of events, online articles and

a series of broadcasts on Radio New Zealand. We reinstated the New Zealand Book Council Lecture in partnership with Wellington Writers Week – and were delighted that Eleanor Catton delivered the lecture with her usual vim and vigour. Our partnership with Word Christchurch saw writers talking about the books that matter to them. And we kept faith with our hugely popular *True Stories Told Live* series, which we've been running since 2011, and which remains a reminder that no matter where the internet might take us it's hard to beat the impact the power of live, traditional storytelling.

Booknotes Unbound, the online reinvention of *Booknotes*, hit its stride with a range of popular content that drew in audiences from here and around the world. Highlights included Kate De Goldi's Reading Doctor column, our round-up of books of the year and features such as Paula Morris's investigation into what's next for book awards in New Zealand. A recent survey of our newsletter recipients showed that features in *Booknotes Unbound* on New Zealand books have prompted 58% of respondents to borrow a book from the library, 63% to purchase a book and 52% to recommend a book to a friend. We're keen to build on these figures and anticipate that in 2015 we will do even more to keep readers

informed about our local literary talent.

We were delighted, too, to develop new partnerships with organisations such as Booktrack, the Auckland Writers Festival, and Lit Crawl. And we strengthened some existing relationships with partners including the National Library and Wellington City Gallery.

We said goodbye to some highly-regarded staff members this year. I'd like to acknowledge the work of Emma Gallagher and Anna Smaill, both wonderful members of the team. We welcomed Joy Sellen to the organisation as Administrator and Rebecca Lancashire as our Fundraising Manager. And finally I'd also like to thank the rest of the team who worked their magic on behalf of the organisation in 2014: Bianca Cornford, Lynette Hartgill, and Rachel O'Neill.

It is also important to note the support that our funders provide us. Creative New Zealand has been our core supporter for many years. Alongside their funding I'd also like to acknowledge the ASB Community Trust, Lion Foundation, The Southern Trust, UNESCO and Pub Charity. Without this funding we couldn't support our local writing talent, and continue to develop a reading audience throughout New Zealand. And in 2014 we launched a patron

programme which increased our income through philanthropy significantly.

I am delighted to report that we ended the 2014 financial year with a small surplus. Like every other arts organisation, we are in the tricky position of having to find ways to do more activity with less funding, and this isn't always easy. But thanks to the support of an enthusiastic Board, a committed team of staff and the generosity and support of our funders and donors, we are managing to do just that. So, thank you to everyone who has supported us in one way or another in 2014.

Ngā mihi nui
Catriona Ferguson
Chief Executive

New Zealand Book Council Incorporated

for 12 months ended 31 December 2014

	notes	2014 \$	2013 \$
Income			
Subscriptions & donations	3	93,298	63,315
Grants	1	388,816	411,884
Interest	4	633	160
All other income	2	28,019	18,714
Total Income		510,766	494,073
Expenditure			
Administration			
Council		8,159	6,914
Professional		14,130	14,094
Audit fee		6,270	6,535
Office		37,283	33,615
Depreciation&Amortisation	6	17,260	27,506
Staffing		259,142	253,070
Occupancy		24,412	24,855
Booknotes		18,937	6,183
Subscription Mag		0	2
Friends Support		36,025	9,151
Total Expenditure		421,618	381,922
Projects			
Education		67,372	64,395
(MTA)		0	880
International Writers		13,791	17,775
		81,163	83,050
Total Expenditure		502,781	464,973
Net Surplus for the year		7,985	29,100

New Zealand Book Council Incorporated

As at 31 December 2014

	notes	2014 \$	2013 \$
Members Equity		31,549	27,562
Current Assets			
Bank Balance		59,241	48,028
Accounts receivable		27,684	940
Accrued revenue		27,285	25,000
Prepaid expenses		3,902	2,613
		<u>118,112</u>	<u>76,581</u>
Current Liabilities			
Long Term Liabilities Current		0	4,201
Payables and Accruals		25,208	18,490
Revenue received in advance		52,752	38,315
Goods & services tax		15,541	14,128
		<u>93,501</u>	<u>75,134</u>
Net Current Assets		<u>24,611</u>	<u>1,447</u>
Non Current Liabilities			
Long Term Liabilities Non Current		0	0
Non Current Assets			
Office Equipment & Software& Intangibles	6	10,937	26,115
Net Assets		<u>35,548</u>	<u>27,562</u>

New Zealand Book Council Incorporated

For the year ended
31 December 2014

	2014	2013
	\$	\$
Net Surplus for the year	7,985	29,100
Equity at the Beginning of the Year	27,563	-1,537
Equity at End of the Year	<u>35,548</u>	<u>27,563</u>

New Zealand Book Council (Inc)

Notes to the Financial Statements

For the year ended 31 December 2014

Statement of Accounting Policies

Reporting Entity

The New Zealand Book Council (Inc) is a voluntary organisation under the Incorporated Societies Act 1908. It is a reporting entity under 'New Zealand Financial Reporting Standards (FRSs)' and the financial statements are presented accordingly.

Measurement Base

The accounting principles recognised as appropriate for the measurement and reporting of financial performance, cash flows and financial position on an historic cost basis are followed in the preparation of these financial statements.

Income Recognition

All income is recognised when earned and reported in the financial period to which it relates.

Grant Revenue Received in Advance

Grant income is recognised as income when it becomes receivable unless the Council has a liability to repay the grant if the requirements of the grant are not fulfilled. A Liability is recognised to the extent that such conditions are unfulfilled at the end of the reporting period.

Accounts Receivable

Receivables are recorded at the lower of cost or net realisable value.

Goods & Services Tax

All items in the financial statements are stated exclusive of GST with the exception of Accounts Receivable and Accounts Payable in the Statement of Financial Position.

Tax Status

The company is exempt from income tax through charitable status. Charity number: CC10844

Office Equipment & Software & Intangibles

All items are valued at cost less depreciation. The rate of depreciation applied is 20% on cost to all items until fully depreciated. They are depreciated on a Straight Line basis.

Differential Reporting Exemption

The New Zealand Book Council qualifies for certain exemptions from Financial Reporting standards under the Differential Reporting Framework, approved by the New Zealand Institute of Accountants, because of its size. Advantage has been taken of all exemptions.

Changes in Accounting Policies

The accounting policies are consistent with those used in the prior year except WIS recovery costs.

Due to a NZ Book Council board request we have changed the way we represent our writers in school costs in our end of year statement. Starting this year we are deducting the school contributions from the expense. Previously we had included the school contributions as other income. To make 2013 to 2014 comparisons easier we have also applied this change to the 2013 financial year.

Notes

1) Grant Income

The New Zealand Book Council is appreciative of all grants received without which the project activities would not be possible. The funding organisations that have agreed to be disclosed or have contributed amounts above \$5000 (amounts below \$5000 or from organisations who do not wish to be disclosed are listed as sundry grants.)

	2014	2013
Creative NZ	281,000	286,000
ASB Community Trust	50,000	70,000
Southern Trust	0	10,000
Lion Foundation	12,000	12,000
UNESCO	0	6,800
Pub Charity	5,000	0
NZ Booksellers Association	23,000	23,000
Sundry grants	17,816	4,084
	<u>388,816</u>	<u>411,884</u>
2) Other Income		
	2014	2013
Ticket sales for public events	0	789
Sales of posters	514	717
Services to NZ Books	7,826	7,826
Website revenue	2,360	243
School contributions to writers visits	0	0
Cost recovery NZ post tour	0	0
PANZ	13,000	0
Miscellaneous	4,319	9,139
	<u>28,019</u>	<u>18,714</u>
3) Membership Income		
Source	2014	2013
Membership income	44,878	46,186
Donation	48,420	17,129
	<u>93,298</u>	<u>63,315</u>
4) Interest Income		
	2014	2013
	633	160

5) Operating lease commitments

	2014	2013
Current		
Lease	21,100	21,100
	<u>21,100</u>	<u>21,100</u>
Non Current		
Lease	29,891	50,991
	<u>29,891</u>	<u>50,991</u>

Lease: We moved to new premises at the end of May 2011. We have a new agreement with LIANZ. Our monthly rental is 2,022 (GST inclusive). The lease has a 6 Year term from 29th May 2011, there are currently 17months remaining,

6) Office equipment, software & Intangibles

	2014	2013
Cost –Opening Balance	193,339	196,420
Fixed Assets	87,741	90,822
Intangible Assets	105,598	105,598
Cost - additions	2,083	830
Cost - deletions	-	(3,911)
Cost - closing balance	<u>195,422</u>	<u>193,339</u>
Depreciation -opening balance	167,224	143,629
Depreciation –Fixed Assets	5,519	10,660
Amortization	11,742	16,846
Depreciation -disposals	-	(3,911)
Depreciation -closing balance	<u>184,485</u>	<u>167,224</u>
Book value at year end	<u>10,937</u>	<u>26,115</u>

The \$3,911 of equipment no longer used by book council has been written off.

7) Contingent Liabilities

The New Zealand Book Council has no contingent liabilities as at 31 December 2014

Related Party Transactions

There were no related party transactions during the year.

Subsequent Events

There were no subsequent events during the year