



NEW ZEALAND BOOK COUNCIL
ANNUAL REPORT
2016

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NEW ZEALAND BOOK COUNCIL
Te Kaunihera Pukapuka o Aotearoa

CHAIR REPORT



Kia ora tatou

I'm currently reading Redmer Yska's new book, *A Strange and Beautiful Excitement: Katherine Mansfield's Wellington - 1888-1903*.

It's a wonderful book – and what's even more wonderful is that Redmer has discovered, while researching the book, Mansfield's first published story, 'His Little Friend', written when she was aged 11. It was published on the children's page of the New Zealand Graphic on 13 October 1900.

Although Mansfield left Aotearoa New Zealand forever in 1908, Wellington – and New Zealand – haunted her until her early death in 1923.

In an entry in her notebook in 1916, she wrote:

I want for one moment to make our undiscovered country leap into the eyes of the old world. It must be mysterious, as though floating - it must take the breath.

At the New Zealand Book Council, we are committed to building, through growing a national community of readers, an Aotearoa New Zealand which amazes the world for our country's extraordinary social, cultural and economic well-being.

Sadly, however, a significant percentage of adult New Zealanders today lack the functional literacy skills to enable them to fully participate in our society and economy.

Encouraging reading, particularly reading for pleasure, and growing literacy skills are critical to ensure all New Zealanders can be part of our nation's prosperity and can participate fully in society.

Establishing reading for pleasure as early in life as possible is important. Students who read for pleasure achieve at a higher levels across all subjects than those who do not. The learning opportunities generated by readers themselves through reading for pleasure can equate to several years of formal education. Reading enjoyment is more important to children's educational success than their family's socio-economic status.

CHAIR REPORT



Some 2016 successes that deserve a particular mention:

We enriched communities through reading by delivering another successful Ōtāhuhu Writers in Residency Programme, involving:



100
teachers



5
writers



2200
children



16
weeks



40
writing workshops
talks and readings



7
student
publications

We executed a new digital strategy, designed to help us achieve our bigger goal of being advocacy agitators and getting our Kiwi authors and books in front of all New Zealanders.

This included developing a new user-friendly website with exciting new content:

➤ Aotearoa Reads – a fortnightly curation of the latest reviews, commentary, interviews and recommendations of Kiwi books and writers from the web.

➤ Our NZ Book Scene hub – featuring news, events, opportunities for writers – as well as readers and writers directories, and a national book events calendar.

➤ The NZBC Writers Files. We gave our 650+ Writers' Files a makeover in 2016 – you can now search using a range of filters, including region and genre.

We streamlined our social media strategy - it's our megaphone to amplify sector messages to wider New Zealand.

We partnered with Fairfax to deliver a highly successful summer reading campaign for adult readers *Aotearoa Summer Reads*.

This achieved huge online reach – our launch video alone received five times the amount of engagement than any other video on the Entertainment section of Stuff.co.nz.

CHAIR REPORT



We welcomed Kathryn Carmody as our Programmes Manager – and Fran Ricketts and Juliet Blyth to our Board.

In 2017, Catriona Ferguson resigned as Chief Executive of the Book Council after four and a half years in that role. Catriona made an amazing contribution to the Book Council – and to New Zealand – as Chief Executive and we wish her well for her new role as Association Director at the Publishers Association of New Zealand.

We count ourselves extremely fortunate to have found Jo Cribb as the Book Council's new Chief Executive. Jo took up the role in May 2017.

I'd like to express my thanks and appreciation to my fellow Board members (Juliet Blyth, Brian Steele, Selina Tusitala-Marsh, Paora Tibble, Julia Marshall, Mark Fairy, Fran Ricketts, Gavin Bishop and Linda Clark) – and to all those organisations and individuals who support the work of the Book Council, especially our major funder, Creative New Zealand.

Nga mihi na,



PETER BIGGS CNZM
CHAIR

CHIEF EXECUTIVE'S REPORT



I am privileged to have been recently appointed Chief Executive of the New Zealand Book Council.

As I have transitioned into this role, I want to acknowledge the incredible work of the previous Chief Executive Catriona Ferguson, and the amazing support I have received from her.

My first impressions of the Book Council remain true – a small team with great passion, huge drive, vast reach and ably supported by a dynamic Council and a wide network of sector stakeholders and members.

What binds this impressive collection of like-minded people is the knowledge that reading changes lives. We all know that those who read, especially for pleasure, are better positioned as individuals to achieve economic and social well-being. A nation of readers is one that will be more productive, well, empathic ... and the list continues.

As New Zealand's only national agency dedicated to reading, the Book Council seeks to grow a nation of readers.

We do this through directly delivering programmes, supporting others to achieve success in their programmes and events, undertaking research to inform debate, sharing knowledge, and advocating of behalf of reading and readers.

More specifically, in the 2016 the New Zealand Book Council:

Helped Grow the Next Generation of Readers

Our *Writers in Schools* Programme engaged over 300 New Zealand writers in over 1,000 schools and libraries with nearly 40 000 children inspired to write and read each year.

We reach children in rural and low decile areas creating opportunities for them to meet and be inspired by New Zealand authors and illustrators. The feedback we get shows the programme works to excite and encourage children to read and write.

CHIEF EXECUTIVE'S REPORT



We ran a community project in which five low decile schools in Ōtāhuhu hosted five diverse New Zealand writers in residence during terms three and four. They worked with the children to write their own books and engaged with families and communities to launch the children's work.

We partnered with Fairfax and a range of libraries to deliver *Aotearoa Summer Reads*, a reading recommendations campaign that generated huge media attention for Kiwi books and authors.

We administered the Hell Reading Challenge with nearly 500 schools participating with over 150 000 children.

We delivered the contract for the New Zealand Book Awards for Children and Young Adults on behalf of the Book Awards Trust.

We delivered our popular blog and e-news *The School Library* which supports and shares information about children's reading and books.

Supported the Sector

We supported a range of sector events across the country including festivals, True Stories Told Live, and other literary events.

We held meetings with the Sector Steering Group, with the purpose of building collaboration across the sector.

We completed and promoted research about the reading habits of New Zealanders.

Promoted the importance of reading

Activities to advocate for the importance of reading included leading discussions on Radio New Zealand and sharing content through our social media channels.

Our Writer's Files (which profile more than 650 New Zealand writers) are a much valued and well used resource.

CHIEF EXECUTIVE'S REPORT



The 2016 New Zealand Book Council Lecture, delivered by Selina Tusitala Marsh, was well received and challenged us to find the story within ourselves, to remember the importance of telling our own tales, and to read and experience a diverse range of writing.

Our NZ Book Scene and Aotearoa Reads hubs and enewsletters received a wide and growing readership.

Strengthened ourselves

We invested in growing our presence online through Facebook, Twitter and redeveloping our website. As a result, our ability to reach a wide audience has grown and continues to grow.

This work would not be possible without the dedicated work of the Book Council staff and Council, our members, sponsors and supporters. I would like to thank you for your support.

Naku te rourou nau te rourou ka ora ai te iwi.



JO CRABB
CHIEF EXECUTIVE

SPONSOR ACKNOWLEDGEMENTS



New Zealand Book Council

Performance Report

31 December 2016

New Zealand Book Council Performance Report Contents For the year ended 31 December 2016

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New Zealand Book Council

Entity Information

For the year ended 31 December 2016

Legal name of entity

New Zealand Book Council

Type of entity and legal basis

Incorporated as a Charitable Trust under the Charitable Trusts Act 1957
Registered as a Charity (registration number CC10844) under the Charities Act 2005

Entity's purpose or mission statement

Aotearoa's communities benefitting from the social, economic and health outcomes offered by reading for pleasure.

Entity structure & governance

The trust is governed by a trust board of 10 trustees. The trust also has an audit committee

On the trust board:

| | |
|---------------------------------------|----------------------|
| Chairperson | Peter Biggs |
| Chair of the Audit and Risk Committee | Mark Fairey |
| Trustee | Selina Tuitala Marsh |
| Trustee | Gavin Bishop |
| Trustee | Brian Steele |
| Trustee | Julia Marshall |
| Trustee | Paora Tibble |
| Trustee | Linda Clark |
| Trustee | Juliet Blyth |
| Trustee | Fran Ricketts |

The Audit Committee is made up of the Chair of the Audit and Risk Committee, 2 trustees, the CEO and the Accounts Manager

Main sources of cash & resources

The trust receives cash or resources from:

Grants
Membership

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

The trust does not rely on any goods and services provided in kind.



New Zealand Book Council

Entity Information

For the year ended 31 December 2016

Additional information

Independent Auditor Moore Stephens Wellington Audit
Wellington

Banker ANZ Bank
Auckland

Solicitor Linda Clark

Contact information

Registered Office Level4, 156-158 Victoria Street, Wellington 6011

Postal Address Level4, 156-158 Victoria Street, Wellington 6011

Website www.bookcouncil.org.nz

Facebook <https://www.facebook.com/New-Zealand-Book-Council-18970047327>

Twitter <https://twitter.com/nzbookcouncil>

Phone 04-8015546



Vision: Because Reading Changes Lives
Mission: Aotearoa communities benefiting from the social, economic and health outcomes offered by reading for pleasure.

Outcomes: We lead, support, facilitate and deliver programmes and initiatives that build a strong reading-for-pleasure culture in Aotearoa.

We deliver an integrated programme of activity that works in partnership with publishers and other organisations and institutions to promote the reading and writing of high-quality Aotearoa literature.

Outputs

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 online

Measure

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. Attract 250,000 unique page views across both websites.

2016
In 2016 we had a 19% increase in our Twitter following and an increase of 45% in Facebook likes. The newsletter open rate for 2016 was 45%
in 2016 we had 299,761 page views across both websites.

Support the New Zealand Literary Sector through collaborative initiatives and sharing resources, skills and knowledge

The Sector Steering Group was established and met twice to increase collaboration and partnership across the sector. Sub-committees of the group were also created to work on specific initiatives. Other partner organisations in 2016 include Marlborough Writers Festival, Word Christchurch, the National Library, IBBY, LIANZA and

92% of organisations who responded to a survey on the success of their partnership with the Book Council felt that it had been successful.

Advocate on behalf of readers through a programme of campaigns

Visiting UK advocate Miranda McKearney participated in a campaign to highlight and profile the value of reading for pleasure.
We ran a series of national focus groups which explored reading habits of New Zealanders. We also conducted quantitative research into library borrowing figures and book sales of New Zealand titles.

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 25,000 school students.
- We partnered with the National Library to deliver the 2016 NZ Book Council lecture. Feedback on the event was positive from both the partner organisation and those attending, 97 people attended the event.
We ran 4 True Stories Told Live events in 2016 with an average audience attendance of 133.
6 Speed Date an Author events were held with an average attendance of 77 students at each event.
The programme reached just under 40,000 children in 2016. Feedback was universally positive with 97% of schools rating the overall success of the events as either excellent or good.



**New Zealand Book Council
Statement of Financial Performance
For the year ended 31 December 2016**

| | Note | 2016 | 2015 |
|--|------|----------------|----------------|
| Revenue | | | |
| Donations, fundraising and other similar revenue | 1 | 514,847 | 466,789 |
| Fees, subscriptions and other revenue from members | 1 | 48,484 | 52,004 |
| Revenue from providing goods or services | 1 | 46,632 | 22,341 |
| Interest, dividends and other investment revenue | 1 | 440 | 1,553 |
| Other revenue | | 0 | 15,719 |
| Total Revenue | | 610,403 | 558,406 |
| Expenses | | | |
| Expenses related to public fundraising | 2 | 1,251 | 2,933 |
| Volunteer and employee related costs | 2 | 316,594 | 270,349 |
| Costs related to providing goods or services | 2 | 106,868 | 110,456 |
| Grants and donations made | 2 | 122,883 | 152,073 |
| Other expenses | 2 | 1,376 | 21,504 |
| Total Expenses | | 548,972 | 557,315 |
| Surplus/(Deficit) for the year | | 61,431 | 1,091 |



New Zealand Book Council
Statement of Financial Position
As at 31 December 2016

| | Note | 2016 | 2015 |
|---|------|----------------|----------------|
| Assets | | | |
| Current Assets | | | |
| Bank accounts and cash | 3 | 147,192 | 53,417 |
| Debtors and prepayments | 3 | 6,750 | 46,586 |
| Total Current Assets | | 153,942 | 100,003 |
| Non-Current Assets | | | |
| Property, Plant and equipment | 5 | 35,656 | 3,028 |
| Total Non-Current Assets | | 35,656 | 3,028 |
| Total Assets | | 189,598 | 103,031 |
| Liabilities | | | |
| Current Liabilities | | | |
| Creditors and accrued expenses | 4 | 56,337 | 28,408 |
| Employee costs payable | 4 | 6,722 | 4,899 |
| Unused donations and grants with conditions | 4 | 28,470 | 33,086 |
| Total Current Liabilities | | 91,529 | 66,393 |
| Non-Current Liabilities | | | |
| Total Non-Current Liabilities | | - | - |
| Total Liabilities | | 91,529 | 66,393 |
| Total Assets less Total Liabilities (Net Assets) | | 98,069 | 36,638 |
| Accumulated Funds | | | |
| Capital Contributed by owners or members | | 36,638 | 35,547 |
| Accumulated surpluses or (deficits) | | 61,431 | 1,091 |
| Reserves | | | |
| Total Accumulated Funds | | 98,069 | 36,638 |

For and on behalf of the trustees:


Peter Biggs, Chair of the Board


Mark Fairley, Board Member

18.4.2017
Date authorised for issue



**New Zealand Book Council
Statement of Cash Flows
For the year ended 31 December 2016**

| | 2016 | 2015 |
|---|----------------|----------------|
| Cash flows from operating activities | | |
| Cash was received from: | | |
| Donations, fundraising and other similar receipts | 39,726 | 45,149 |
| Fees, subscriptions and other receipts from members | 60,912 | 58,587 |
| Receipts from providing goods or services | 537,503 | 448,319 |
| Interest, dividends and other investment receipts | 440 | 1,553 |
| Net GST | 1,821 | 1,748 |
| Cash was applied to: | | |
| Payments to suppliers and employees | (543,336) | (559,999) |
| | <u>97,066</u> | <u>(4,643)</u> |
| Net cash flows from operating activities | | |
| Cash flows from investing & financing activities | | |
| Cash was applied to: | | |
| Payments to acquire property, plant and equipment | (3,294) | (1,180) |
| | <u>(3,294)</u> | <u>(1,180)</u> |
| Net Cash flows from investing & financing activities | | |
| Net increase/(decrease) in cash | 93,772 | (5,823) |
| Opening bank accounts and cash | 53,418 | 59,241 |
| Closing bank accounts and cash | <u>147,192</u> | <u>53,418</u> |
| This is represented by: | | |
| Bank accounts & Cash | <u>147,192</u> | <u>53,418</u> |
| | 3 | |



Basis of preparation

New Zealand Book Council 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.

GST

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

Specific Accounting Policies

Income Tax

stating that NZBC is exempt from this having fully complied with all statutory conditions for these exemptions;

Bank accounts & Cash

Bank accounts & 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 from sale of goods

Revenue is recorded when the goods are sold. If the purchaser pays before they receive their goods, the trust records a liability. If the purchaser does not pay on receipt of the goods, the trust records a debtor

Revenue from sale of services

Revenue is recorded based on the stage of completion of the service at balance date.

Accounting policies

To disclose the accounting policies for each significant type of transaction or balance including revenue from grants and donations, revenue received in advance.

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 from Donations are recorded when received.

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

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 for annual leave is accrued and recognised in the statement of financials 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

Accounts Receivable are recorded at net realisable value.

Intangibles

Website development costs are capitalised as an intangible asset on the basis of the costs incurred to develop and bring to use the website. Costs associated with maintaining the website are recognised as an expense when incurred.

Property plant and equipment

Depreciation has been charged in the financials as follows:

Furniture : 20%

Office equipment 20%

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

Peter Biggs, Chair of the Board

The entity transitioned on 1 Jan 2016 from preparation of Financial Statements in accordance with Old Generally Accepted Accounting Practice in New Zealand (Old GAAP) to preparation in accordance with Public Benefit Entity Simple Format Reporting-Accrual (Not -for -Profit) (PBE SFR-A (NFPI)). The transition had minimal impact on the accounting policies of the entity. All accounting policies were applied consistently during the year.



New Zealand Book Council
Notes to the Performance Report
For the year ended 31 December 2016

| Note 1: Analysis of Revenue | | 2016 | 2015 |
|---|-------------------------------|----------------|----------------|
| Revenue Item | Analysis | | |
| Donations, fundraising and other similar revenue | | | |
| | Donation | 39,726 | 45,149 |
| | CNZ | 352,250 | 297,250 |
| | Foundation North | 60,000 | 50,000 |
| | Lion Foundation | 14,000 | 10,000 |
| | UNESCO | - | 10,000 |
| | PUB Charity | 15,000 | 10,000 |
| | BAT author tour (Booksellers) | 14,864 | 23,000 |
| | Four winds | 11,500 | 6,500 |
| | The Lou and Irish Fishers | - | 5,000 |
| | Sundry Grants | 7,507 | 9,800 |
| | Total | 514,847 | 466,789 |
| Fees, subscriptions and other revenue from members | | | |
| | Subscriptions from members | 10,763 | 12,917 |
| | School subscriptions | 37,721 | 39,087 |
| | Total | 48,484 | 52,004 |
| Revenue from providing goods or services | | | |
| | Ads Revenue | 1,160 | 1,998 |
| | Door takings | - | (119) |
| | Mechandise Sales | 196 | 246 |
| | Book Award admin | 18,000 | 12,000 |
| | BAT income | 2,059 | - |
| | Otahuhu Project | 17,000 | - |
| | Pepercorn Press Contract | 8,217 | 8,216 |
| | Total | 46,632 | 22,341 |
| | Interest Received | 441 | 1,552 |
| Other revenue | | | |
| | GN | - | 5,578 |
| | Other income | - | 10,141 |
| | Total | - | 15,719 |
| Note 2: Analysis of Expenses | | 2016 | 2015 |
| Expense Item | Analysis | | |
| Expenses related to public fundraising | | | |
| | Ads commission | - | 435 |
| | Subscriptions | 970 | 1,548 |
| | Training | 281 | 650 |
| | WW1 Book Club fee | - | 300 |
| | Total | 1,251 | 2,933 |
| Peter Biggs, Chair of the Board | | | |
| | Salary & Wages | 315,686 | 269,176 |
| | Recruitment | - | 220 |
| | ACC Levies | 908 | 953 |
| Mark Fairey, Board Member | Total | 316,594 | 270,349 |
| Costs related to providing goods or services | | | |
| | Board | 9,045 | 8,205 |
| | Rent | 21,793 | 21,659 |
| | Operating Expense | 68,079 | 73,972 |
| | Auditing fee | 7,951 | 6,620 |
| | Total | 106,868 | 110,456 |
| Grants and donations made | | | |
| | International Writers | - | 23,521 |
| | Advocacy and Communication | 22,244 | - |
| | Research | 20,889 | - |
| | Sector Collaboration | 13,597 | - |
| | Sponsorship & Development | 389 | - |
| | POD cast | 680 | - |
| | Book Award Author tour | 10,768 | 14,927 |
| | PIS | (858) | 1,381 |
| | Speed Date An Author | 617 | 2,120 |
| | Web | 5,561 | 5,099 |
| | Writers in Schools | 41,139 | 52,375 |
| | WOW | 6,048 | 7,697 |
| | Booknotes | 1,809 | 17,008 |
| | Project Contractor fee | - | 27,965 |
| | Total | 122,883 | 152,073 |
| Other expenses | | | |
| | Depreciation | 1,376 | 9,090 |
| | Sundry Expense | - | 12,414 |
| | Total | 1,376 | 21,504 |



New Zealand Book Council
Notes to the Performance Report
For the year ended 31 December 2016

| Note 3: Analysis of Assets | | 2016 | 2015 |
|---|-----------------------------------|----------------|----------------|
| Asset Item | Analysis | | |
| Bank accounts and cash | | | |
| | Book Council Chq | 46,249 | 19,665 |
| | Book Council Joint | 1,891 | 1,536 |
| | Book Council 02 | 99,052 | 32,217 |
| | Total | 147,192 | 53,418 |
| Debtors and prepayments | | | |
| | Accounts receivable | 3,711 | 12,880 |
| | Prepaid expenses | 3,039 | 8,706 |
| | Accrued Revenue | - | 25,000 |
| | Total | 6,750 | 46,586 |
| Total Current Asset | | 153,942 | 100,004 |
| Note 4: Analysis of Liabilities | | 2016 | 2015 |
| Liabilities Item | Analysis | | |
| Creditors and accrued expenses | | | |
| | Accounts payable | 39,159 | 11,857 |
| | Book Council Visa | 1,042 | 861 |
| | GST payable | 15,514 | 15,068 |
| | Sun Sector Group | 622 | 622 |
| | Total | 56,337 | 28,408 |
| Unused donations and grants with | Grants in advance | 750 | 10,000 |
| | Subscriptions received in advance | 27,720 | 23,086 |
| | Total | 28,470 | 33,086 |
| Employee costs payable | | | |
| | Annual leave accrual | 4,841 | 2,478 |
| | Salary & Wage accrual | 1,881 | 2,421 |
| | Total | 6,722 | 4,899 |
| Total Current Liabilities | | 91,529 | 66,393 |



New Zealand Book Council
Notes to the Performance Report
For the year ended 31 December 2016

**Note 5: Property Plant & Equipment
This Year**

| Asset Class | Opening carrying amount | Purchases | Sales/ (Disposals) | Current year depreciation | Closing carrying amount |
|---------------------------|-------------------------|--------------|--------------------|---------------------------|-------------------------|
| JustBlind2013 | 332 | | | 166 | 166 |
| NZBC Computers -HP DC7700 | 190 | | | 190 | - |
| NZBC laptop-Lynette | 944 | | | 236 | 708 |
| NZBCIPAD/IPADMINI | 1,563 | | | 417 | 1,146 |
| DM Shore -Iphone Catriona | - | 1,086 | | 36 | 1,049 |
| Apple Laptop for Catriona | - | 2,208 | | 331 | 1,877 |
| Total | 3,029 | 3,294 | - | 1,376 | 4,946 |

| Asset Class | Opening carrying amount | Purchases | Sales/ (Disposals) | Current year depreciation | Closing carrying amount |
|---------------------------|-------------------------|--------------|--------------------|---------------------------|-------------------------|
| Nadya Research add 2011 | 4,400 | | | 4,400 | 0 |
| Office Furniture -Moving | 3,341 | | | 3,341 | - |
| JustBlind2013 | 498 | | | 166 | 332 |
| NZBC Computers2011 Noel | 340 | | | 340 | 0 |
| NZBC Computers -HP DC7700 | 380 | | | 190 | 190 |
| NZBC laptop-Lynette | - | 1,180 | | 236 | 944 |
| NZBCIPAD/IPADMINI | 1,979 | | | 416 | 1,563 |
| Total | 10,938 | 1,180 | - | 9,089 | 3,029 |

Significant donated assets recorded - source and date of valuation

No donated assets .

Significant donated assets - not recorded

No



**New Zealand Book Council
Notes to the Performance Report
For the year ended 31 December 2016**

**Note 6: Changes in Accumulated Funds
This Year**

| Description | Capital Contributed by Owners or Members | Accumulated Surpluses or (Deficits) | Reserves | Total |
|--|---|--|-----------------|---------------|
| Opening Balance | | | 36,638 | 36,638 |
| Capital contributed by owners or members | | | - | - |
| Capital returned to owners or members | | | - | - |
| Surplus/(Deficit) | | | 30,721 | 30,721 |
| Distributions paid to owners or members | | | - | - |
| Transfer to Reserves | | | - | - |
| Transfer from Reserves | | | - | - |
| Closing Balance | - | - | 67,359 | 67,359 |

| Last Year | | | | |
|--|---|--|-----------------|---------------|
| Description | Capital Contributed by Owners or Members | Accumulated Surpluses or (Deficits) | Reserves | Total |
| Opening Balance | | | 35,547 | 35,547 |
| Capital contributed by owners or members | | | - | - |
| Capital returned to owners or members | | | - | - |
| Surplus/(Deficit) | | | 1,091 | 1,091 |
| Distributions paid to owners or members | | | - | - |
| Transfer to Reserves | | | - | - |
| Transfer from Reserves | | | - | - |
| Closing Balance | - | - | 36,638 | 36,638 |



Note 7: Commitments
Commitment
Office rent

Explanation and Timing

The office moved to the new premise at the end of May 2011. It will expire on May 2017.e The monthly payment under the lease agreement is \$1,816.09+ GST
Book Council will move to new premises on 01/06/2017.
The lease has a 3 years from 01/06/2017.
New lease \$16,357.75 plus GST per year
Total

| | 2016 | 2015 |
|--------------|---------------|---------------|
| | 18,623 | 21,793 |
| | 39,531 | 9,080 |
| Total | 58,154 | 30,873 |
| | | |
| | | |

Commitment to provide loans or grants

None

Note 8: Contingent Liabilities

At balance date there were no known contingent liabilities (Last year: nil)

Note 9: Related Party transactions

Description of relationship

Transactions with trustees

Description of transaction

Gavin Bishop

Selina Marsh

Total

| | 2016 | 2015 |
|--------------|--------------|--------------|
| | 2,455 | 4,022 |
| | 3,969 | 228 |
| Total | 6,424 | 4,250 |

There are no amounts due from or to related parties at balance date (Last year: nil)

Note 10: Events after balance date

There were no events that have occurred after the balance date that would have a material impact on the Performance Report. (Last year: nil)

Note 11: Other disclosures

Goods and services provided to the trust in kind

The trust does not rely on any goods and services provided in kind.

Assets used as security for liabilities

No assets have been used as security for liabilities at reporting date (2016: Nil)



Independent auditor's report

To the Members of New Zealand Book Council Incorporated

Opinion

We have audited the accompanying performance report of New Zealand Book Council Incorporated on pages 2 to 13, 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 2016, the statement of financial position as at 31 December 2016, 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 New Zealand Book Council Incorporated as at 31 December 2016, 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 New Zealand Book Council 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, New Zealand Book Council Incorporated.

The responsibility of the Board 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 New Zealand Book Council 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 New Zealand Book Council Incorporated for assessing New Zealand Book Council 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 New Zealand Book Council 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 New Zealand Book Council Incorporated 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 New Zealand Book Council Incorporated and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on New Zealand Book Council Incorporated 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 New Zealand Book Council 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 New Zealand Book Council 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.

