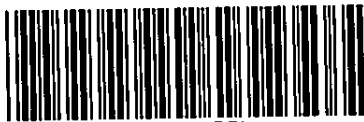


Company registration number: 03783095

Charity number: 1079257

WORLD BOOK DAY LIMITED
DIRECTORS' AND TRUSTEES' REPORT AND ACCOUNTS
30TH JUNE 2011

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COMPANIES HOUSE

Peter Hunt & Co Limited
Chartered Accountants
Argon House, Argon Mews
Fulham Broadway
London SW6 1BJ

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**WORLD BOOK DAY LIMITED
DIRECTORS' AND TRUSTEES' REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

The directors and trustees present their report and accounts for the year ended 30th June 2011

REFERENCE AND ADMINISTRATIVE DETAILS

Company number	03783095
Charity number	1079257 (registered under the name World Book Day)
Registered office and principal Business address	6 Bell Yard London WC2A 2JR
Bankers	Barclays Bank PLC 128 Moorgate London EC2M 6SX
Auditors	Peter Hunt & Co Limited Argon House Argon Mews Fulham Broadway London SW6 1BJ
Solicitors	Thrings LLP Kinnaird House 1 Pall Mall East London SW1Y 5AU
Administrator	Alan Staton (Booksellers Association)

Directors and trustees

The directors of the charitable company ('the charity') are its trustees for the purpose of charity law and throughout this report are collectively referred to as the trustees

The trustees who have served since 30th June 2010 have been as follows

Name	Nominated by	Date of appointment	Date of resignation
V Barnsley	The Publishers Association	1 st July 2009	13 th June 2011
T Bourne	The Booksellers Association	6 th September 2006	1 st July 2011
T E Godfray	The Booksellers Association	7 th June 1999	—
A Hurcombe	The Publishers Association	16 th March 2010	—
J Prior	The Publishers Association	1 st July 2011	—
R Russell	The Booksellers Association	10 th December 2010	—
F Simon	See below	20 th January 2010	—
T Weldon	The Publishers Association	1 st November 2009	—

Francesca Simon is independent of both the Booksellers Association and Publishers Association and nominated jointly by both organisations

**WORLD BOOK DAY LIMITED
DIRECTORS' AND TRUSTEES' REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

STRUCTURE, GOVERNANCE AND MANAGEMENT

Governing document

The charity is constituted as a company limited by guarantee, and is therefore governed by a Memorandum and Articles of Association dated 7th June 1999. It is registered as a charity with the Charity Commission.

Appointment of trustees

Under the terms of the company's current Memorandum and Articles of Association there shall be no more than 6 trustees at any one time. The Booksellers Association and Publishers Association are entitled to nominate two trustees each, the fifth trustee, who is also chairman of the Executive Committee, is nominated in alternate years by the Booksellers Association and Publishers Association. On the recommendation of the Charity Commission, a sixth trustee, independent of both the Booksellers and Publishers Associations, is also appointed.

A proposal to increase the maximum number of trustees from six to eight is to be put at the next annual general meeting. Under that proposal the trustees shall comprise of the Chief Executives of the Publishers and Booksellers Associations, two members appointed by each of those organisations for a three year term, an independent trustee appointed jointly by the two associations for a three year term, and a Chairman appointed for a 12 month term by each association in rotation.

Method of nominating

There is no formal method of nominating trustees. The Chief Executive Officers of the Booksellers Association and Publishers Association each seek names of potential appointees from colleagues and others involved in the book trade and the world of reading. It is intended that there be at least one trustee who has no direct involvement with either organisation.

Trustee induction and training

New trustees are provided with notes outlining in brief their legal obligations under charity and company law, and are also made aware of the content of the Memorandum and Articles of Association, the decision making process and the financial performance and plans of the charity.

Organisation

The trustees are responsible for the overall administration of the charity and for making strategic decisions. Under the terms of the Articles of Association, the trustees must meet at least twice a year (in the year to 30th June 2011 they met twice).

The implementation of strategic plans is carried out by the Executive Committee (on which the trustees are represented) and, where required, by specialist sub-committees who report to the Executive Committee. The charity has no employees but in the planning for World Book Day 2011 contracted with a consultant to assist in the administration of the programme of events. Other consultants are engaged on an ad hoc basis to organise and promote specific projects. Staff employed by the Booksellers Association and the Publishers Association provide additional support and administration, free of charge to the charity. A public relations company is also employed on a contract basis to promote the charity's activities.

**WORLD BOOK DAY LIMITED
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Under proposals to be put before the next annual general meeting, the Booksellers Association's appointed trustees and the Publishers Association's appointed trustees shall each be entitled to appoint up to eight members of the Executive Committee. The Executive Committee shall have power to co-opt additional non-voting members and may appoint specialist working groups, headed by a member of the Executive Committee, to carry out research.

Related parties

The charity has a close relationship with both the Booksellers Association and Publishers Association. As has been previously stated, these organisations are responsible for nominating the charity's trustees. Currently, they are also each entitled to nominate up to five members of the executive committee.

Risk management

The trustees have examined the major strategic, business and operational risks which the charity faces and confirm that systems have been established to enable regular reports to be produced so that the necessary steps can be taken to minimise these risks. The trustees have taken steps to ensure that all child protection issues are properly addressed. A key element in the management of financial risk is the setting of a reserves policy and its regular review by trustees.

Objectives and activities

The objective of the charity is the promotion of reading to all. To children and young people and their parents through schools, to adults with reading challenges through *Quick Reads*, and to the wider public through the promotion and celebration of books and reading.

The trustees have complied with the duty in section 4 of the 2006 Charities Act to have due regard to guidance published by the Charity Commission. In particular, the trustees refer to the Charity Commission's general guidance on public benefit both when reviewing how well past activities have satisfied the charity's stated objective, and when planning how future activities may best continue to do so.

The main means through which the charity's objective is met, is the organisation and promotion each year of a series of events designed to encourage reading by the public surrounding a designated day (in 2011 it was March 3rd) known as World Book Day.

The focus and results of the specific events and promotions that comprised World Book Day 2011 are as follows:

Main objectives for World Book Day 2011

- To encourage reading amongst school and pre-school aged children
- To continue to support the *Quick Reads* literacy initiative aimed at reluctant adult readers
- The general promotion of reading and literacy throughout the UK and Ireland for public benefit

**WORLD BOOK DAY LIMITED
DIRECTORS' AND TRUSTEES' REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

Strategies for achieving World Book Day objectives in 2011

- To produce and distribute over 14 million £1 book tokens (€1 50 in Ireland) for school and pre-school aged children throughout the UK and Ireland
- To create comprehensive resource packs for schools and school children throughout the UK and Ireland
- To develop *Story Time Online* (formerly *Read to a Million Kids*) to engage children and schools through authors of the £1 books, or suitable alternatives, giving filmed readings that could be streamed to both school children and the general public
- To continue the *Schools' Short Story Competition*
- To continue to support *Quick Reads* as an associated activity whose aims are coincident with World Book Day's and to provide financial support if required
- To engage the wider public, and extend World Book Day to new audiences, through the printing of £1 tokens and associated coverage in *The Sun*
- To engage secondary school-age children through the *Digit-Tale*, digital initiative
- To develop resources and activities mainly for children and schools, on the World Book Day website, www.worldbookday.com

World Book Day 2011: activities, participation and evaluation

World Book Day was held on March 3rd 2011 and associated events and promotions took place over the period surrounding the day. Significant activities included

Educational establishment coverage:

- 46,755 establishments mailed with World Book Day material
- 14,113 updated registrations, including 3,377 UK schools covering secondary-aged pupils

"All our children really enjoy celebrating World Book Day and it is a great way to promote reading " (see note below)*

"The event is part of our annual programme and is valued by all involved. Thank you for your work in making the event so meaningful and successful "

*** All quotes in this report taken from the 2011 schools survey, which garnered 1,291 responses from school and pre-school staff.**

**WORLD BOOK DAY LIMITED
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Book Token coverage:

- 13,503,660 book tokens (£1 and Euro) supplied according to roll numbers
- 500,000 book tokens (£1 and Euro) supplied additionally for nursery units
- 100,000 book tokens (£1) supplied to BookStart (a government supported initiative that provides books free to babies and infants)
- 50,000 book tokens (Euro) supplied to British Forces Post Office, who distribute to forces overseas

"The Book Tokens are a valuable tool for encouraging ALL parents to visit bookshops and choose a book with their child Nothing beats opening the first page of a new book Bliss Long may the Book Tokens continue "

"Children all love having their Book Tokens and being able to go with their parents into town to exchange them for a book (which they would otherwise not have chosen) "

Library coverage:

- 134 library authorities (excluding Wales) signed up
- 100% participation of Welsh libraries resulting in 75% coverage of public library sector in England and Wales combined
- 2,600 poster rolls ordered
- 263 *Story Time Online* DVDs ordered and supplied

Bookshop coverage:

Dumpins:

- 2,530 printed (2,185 £1 headers, 345 Euro headers)
- 2,479 ordered and despatched

Point of Sale (POS):

- 645 packs ordered and despatched (covers independent retailers only, chains create their own POS)

**WORLD BOOK DAY LIMITED
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Specially produced £1 books

The titles produced for 2011 were as follows

Picture book

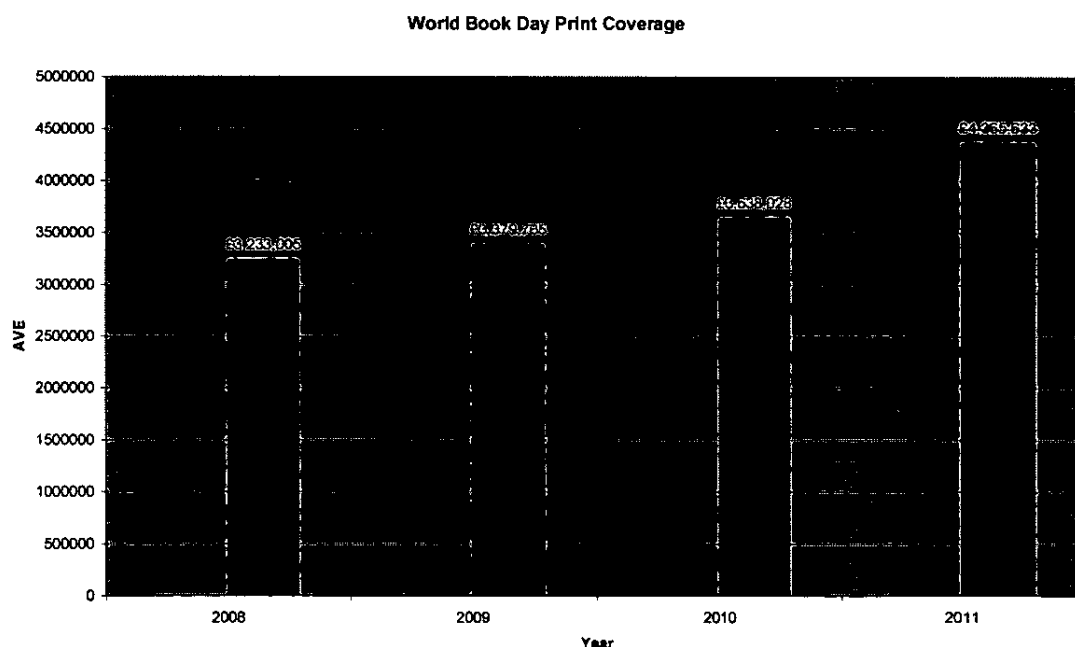
Dr Seuss on the Loose by Dr Seuss

Flip books

Age 5+	<i>Gargolyz Make Some Noise</i> by Burchett <i>Vogler S W I T C H Bug Battle</i> by Ali Sparkes <i>Humphrey's Tiny Tales My Treasure Hunt Trouble</i> by Betty Birney <i>Tales from Winnie the Pooh</i> by A A Milne
Age 7+	<i>The Great Pet Shop Panic</i> by Katie Davies <i>Spy Dog's Got Talent</i> by Andrew Cope
Age 9+	<i>Do Bugs Have Bottoms?</i> by Glenn Murphy <i>Evolution The Troof</i> by Michael Lawrence
Age 11+	<i>Traction City</i> by Philip Reeve <i>The Teacher's Tale of Terror</i> by Chris Preistley
Republic of Ireland	<i>Fiacla Mhamó (Danny's Smelly Toothbrush)</i> by Brianóg Brady Dawson

Media coverage

"World Book Day stands out as a national event "



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Highest ever Advertising Value Equivalent (AVE) figure

Total estimated 2011 AVE (exclusively broadcast) - £4,365, 633 (2010 - £3,638,028)

Total circulation 2011 (including all media) – 464,295,108 (2010 – 341,725,015)

Number 1 Trending Topic on Twitter, above iPad 2 (launched on World Book Day)

Supporting celebrities, bloggers and related media included The Duchess of Cornwall, Sarah Brown, Oritse (JLS), Devon Anderson, Bianca Hendricks-Spendlove, Hollyoaks, Ramona Marquez, OK Magazine, Bernard Cribbins, *The Sun*

Website figures 2011

www.worldbookday.com

"Thank you for the reminder emails and all of the online resources you provide to help us organise World Book Day. Schools are such busy places that this helps to ensure we participate in World Book Day and that it is not too much work for school staff."

Redemption period (28 days) comparison:

2011	2010	2009	2008
280,300 visits	230,841 visits	195,558 visits	130,421 visits
866,241 page views	867,187 page views	709,091 page views	407,043 page views
219,146 visitors	176,297 visitors	144,018 visitors	100,046 visitors

Life of site (September launch date to end of £1 Book Token redemption period):

Life of 2011 site	Life of 2010 site	Life of 2009 site	Increase in 2011
477,174 visits from 188 countries	369,783 visits from 199 countries	308,453 visits from 180 countries	+ 29.04%
1,694,921 page views	1,464,639 page views	1,184,548 page views	+15.72%
353,854 unique visitors	273,304 unique visitors	225,642 unique visitors	+29.47%

Schools' pack content replacement sections:

2011 new portal page views	70,481 (15,617 registered users)
2010 teacher resource section views	29,999

Newsletter subscribers (2010-2011): 4,726

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Portal landing page: 70,345 views

Most viewed	Views
World Book Day new school activities for 2011	7,181
<i>Read Around the World</i> activity	5,892
Download centre	11,102
Download activity sheets for the classroom	10,601
How to organise an author visit	2,580
<i>Family Reading Breakfast</i>	1,912

Commentary on portal resources:

"I made a feature of the 'Read Around the World' quizzes during lunchtime library sessions and after school. A surprising number of students completed them. I would not have had time to prepare this if the materials were not online."

"We followed the 'Read Around the World' theme by turning each classroom in our school into a different continent and reading to find out information about the different places to put into our own books."

"We used the 'Scholastic We Are Writers' initiative and are in the process of creating our own books. We are anticipating a good result! I only found out about this from your website."

"Our pupils loved Diary of a Wimpy Kid and we did a lot of related work."

"We held a really successful 'Family Reading Breakfast' which was supported by many parents and carers."

"We had a 'Family Reading Breakfast' for families to share tea, toast and of course, books!"

www.digi-tale.co (a new development designed to engage older, secondary school pupils)

Life figures (26th January 2011 – 27th March 2011)

16,627 visits from 107 countries
3,461 visits on World Book Day (Thursday 3 rd March)
38,259 page views
14,191 unique visitors

"The actions you took to encourage older readers (secondary age) to make use of their World Book Day Book Tokens were excellent and useful. As a school librarian I would definitely use these resources in the future to promote World Book Day/reading (in all formats) to students using the library."

"I was really pleased to see more available for secondary school students. We are heavily promoting reading at our school and the new range of resources and specific teen activities were very useful."

Site traffic 26th January to 27th March – 16,627

Site traffic to 13th May – 19,104

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Highlights

4,654 visits to '*What to Read*'

3,578 visits to '*digi-talk*' forum

Number of views of Bianca/Devon film clips – 1912

Number of people accessing Louise Rennison's *digi-tale* '*Love Twit*' – 12,500

"World Book Day gets bigger and better in our large 11-18 secondary school each year"

Story Time Online

As previously, with *Read to a Million Kids*, the £1 book stories were filmed being read either by the authors or by actors. The actors involved in 2011 were Bernard Cribbins, Ramona Marquez, Kris Marshall and Devon Anderson.

Figures from Vimeo – these figures are for how many times the videos were played, either within Vimeo or anywhere the Vimeo videos had been embedded

On World Book Day – 3rd March 2011, we had a total of 11,428 plays across all the videos. Total plays per title were as follows:

	Plays
<i>Dr Seuss on the Loose</i>	3,861
<i>The Teacher's Tales of Terror</i>	2,214
<i>Spy Dog's Got Talent</i>	2,149
<i>Do Bugs Have Bottoms?</i>	1,894
<i>Danny's Smelly Toothbrush.</i>	1,688
<i>Tales from Winnie-The-Pooh</i>	1,479
<i>Humphrey's Tiny Tales</i>	1,459
<i>The Great Pet Shop Panic</i>	1,179
<i>S W I T C H Bug Battle</i>	1,011
<i>Gargoylz Make Some Noise</i>	930
<i>Traction City *</i>	721
<i>Evolution The Troof</i>	614

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Figures from Daily Motion

	<i>Plays</i>
<i>Dr Seuss on the Loose</i>	1,175
<i>Danny's Smelly Toothbrush</i>	554
<i>The Teacher's Tales of Terror</i>	534
<i>Spy Dog's Got Talent</i>	509
<i>Do Bugs Have Bottoms?</i>	502
<i>Tales from Winnie-The-Pooh</i>	475
<i>Humphrey's Tiny Tales</i>	443
<i>The Great Pet Shop Panic</i>	297
<i>Gargoylz Make Some Noise</i>	253
<i>S W I T C H Bug Battle</i>	249
<i>Evolution The Troof</i>	185

Note * *Traction City* was too large a file to fit on Daily Motion

"I really enjoyed the films for books which were very useful for KS3 pupils The talks by authors were also interesting "

"Online initiatives which work alongside books are a good step for us to take next year "

- 16,058 settings accessed the *Storytime online* films up to 30th March via the World Book Day site
- this extrapolates to nearly half a million children seeing the films in the period
- YouTube postings of seven of the films had a total of 853 viewings
- there have also been 7,918 viewings of the 2010 films

World Book Day supported charities – achievement to date

Readathon:

10% increase in school *Readathon* activity in the period (1,150 schools registered)

Funds raised totalled £308,147

Book Aid International:

Funds raised, £45,000 including about £1,000 from Meet, Talk, Give reading group activity

Although here was a decline in donations over 2010, it has been noted that a smaller number of participating schools raised a higher average individual contribution in 2011 than in 2010

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QUICK READS 2011

Introduction & history

Since its launch, *Quick Reads* has distributed well in excess of 3.5 million books to people for whom reading books was a challenge, in adult education colleges, workplaces, prisons, community centres, care homes, projects for travellers and the homeless, RAF bases and through supermarkets, bookshops and libraries.

In most of these venues each book is read by several people and, in addition to this 3.5 million, there have been over 2.5 million library loans.

These books go to the most difficult-to-reach readers in the UK and Ireland and our impact evaluations show that they transform considerable numbers from non-readers to committed and passionate readers. Through our outreach campaign, we are developing a reading culture in places where reading for pleasure was dying out. Moreover, *Quick Reads* clearly and demonstrably transforms lives. Our impact evaluations demonstrate that we improve reading ability, skills development, learning opportunities, confidence and self-esteem, work, home and family lives, and we are helping to transform literacy across the UK and Ireland. World Book Day has every reason to be enormously proud of the *Quick Reads* initiative.

Key points from the *Quick Reads* 2011 impact evaluation

In 2011, the Department for Business, Innovation and Skills (BIS) appointed an independent evaluator who evaluated tutors teaching over 9,000 adult learners, workplace learning representatives engaging approximately 500 people, and adult learners themselves. Key findings were:

- 96% of tutors believed that *Quick Reads* helped their learners progress
- 88% of tutors observed positive changes in their learners' attitude to reading since being introduced to *Quick Reads*
- 62% of the new readers evaluated were more likely to read other books
- 87% of workplace learning representatives believed that using *Quick Reads* in workplaces encouraged staff to read in their free time
- 55% said that staff were more likely to discuss reading material socially
- 70% had seen positive changes in staff attitudes and behaviour at work
- 25% of new readers said they were happier to read with their children and grandchildren
 - This 25% is a remarkable figure. These are people who, before being introduced to *Quick Reads*, had been unable to read a book. That 25% of them now feel able to read to others is extraordinary. And we must not underestimate the importance of this statistic. Research shows categorically that reading to your child from an early age can have a massive impact on their future life chances. Some research shows that this factor could be even more significant than social class or levels of poverty. So *Quick Reads* increasing the reading of C2DE parents and grandparents to their children could have a massive effect on

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children's future lives and on the likelihood of their becoming committed readers in adulthood

- Other benefits of using *Quick Reads* included increased personal confidence and self-belief, improved skills, enhanced job prospects, improved relationships at home and at work, and a willingness to try new things and create new opportunities in their lives
- The new readers said they pass on and recommend *Quick Reads* books and that they regularly suggest to their partners, children, colleagues and friends that they might enjoy a *Quick Read*
- Our evaluation reports are supported by very moving and powerful communications from adult learners and practitioners telling us just how much *Quick Reads* have transformed lives. One typical story from a literacy tutor tells of a man who began a learning journey with *Quick Reads* and, "transformed from a shy, depressed alcoholic with no skills to a sober, warm, funny and outgoing person with qualifications, confidence and motivation"
- As the evaluation states '*Quick Reads* embeds reading habits and a love of books in thousands of people's lives, offering a 'transforming experience'

***Quick Reads* titles in 2011**

The following titles were published in 2011

Bloody Valentine by James Patterson

Clouded Vision by Linwood Barclay

Follow Me by Sheila O'Flanagan

Men at Work by Mike Gayle

Trouble on the Heath by Terry Jones

Jack and Jill by Lucy Cavendish

Strangers on the 16 02 by Priya Basil

My Dad's a Policeman by Cathy Glass

Kung Fu Trip by Benjamin Zephaniah

Tackling Life by Charlie Oatway

Reach

- At the time of writing, lifetime distribution of *Quick Reads* titles from publishers' warehouses stands at 3,653,353
- This is an increase of 603,723 since 2010 (against a target of 300,000)

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- These include 112,200 digital copies and there is growing interest in utilizing the digital potential of these short, exciting, low-priced books. They can be a great way to reach readers who feel alienated from printed books and are increasingly becoming excellent digital teasers for authors' main body of work. We are exploring a range of further digital opportunities.
- Bookscan sales are a small part of the *Quick Reads* picture but we of course look at them as one measure of year-on-year distribution. In 2011, at the time of writing, we are marginally ahead of 2010 (around 6,000 copies ahead). Sales were stronger in the weeks before and after World Book Day, but lower during the week itself – perhaps reflecting the impact of our earlier publication date and our Galaxy press advertising.
- Books distributed via employers and outreach workers are substantially up reflecting the increased importance of *Quick Reads* in workplaces, adult education centres and communities. The National Institute of Adult Continuing Education (NIACE) took 88,000 books this year (up from 77,000 the previous year) for inclusion in employer packs and the organisation unionlearn took 20,000 copies for workplaces (as last year).
- 95% of library authorities supported *Quick Reads* this year (up from 90% in the previous year) in a terrible context for libraries. Sales to library suppliers, however, were 21% down. This is of course due to substantial library budget cuts, but we have a strategy in place to turn this around, including
 - Miranda McKearney, of The Reading Agency, personally contacting the heads of all non-participating library authorities to encourage them to purchase *Quick Reads*.
 - Guideline minimum order quantities for libraries.
 - We have a range of ideas for future development with The Reading Agency under discussion.
- Loans through libraries recently exceeded 2.5 million.

Galaxy chocolate sponsorship

A very significant step forward for *Quick Reads* has been our partnership with Galaxy chocolate, which began in 2011. Galaxy provided nearly £300,000 worth of advertising for the *Quick Reads* initiative in 2011. This was a good brand-building exercise, although with more time in 2012 and beyond we are looking at more immediately effective ways of using our Galaxy partnership to impact on *Quick Reads* reach.

We feel that we are in the foothills of what we can achieve with *Quick Reads* now that this partnership is in place. The partnership brings considerable opportunities to expand our initiative and bring considerably larger numbers of new readers to the joys and opportunities that reading can bring.

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Quick Reads: the future

We have a very strong list for 2012

Full House by Maeve Binchy

The Cleverness of Ladies by Alexander McCall Smith

The Little One by Lynda la Plante

Quantum of Tweed by Conn Iggulden

Beyond the Bounty by Tony Parsons

Get the Life You Really Want by James Caan

Amy's Diary by Maureen Lee

Doctor Who the Magic of Angels by Jacqueline Rayner

Our plans for 2012 include

- A stunning new redesign created by Galaxy's promotion agency, Lime Communications
- A major new communications, advocacy and PR campaign, paid for by Galaxy and delivered by Freud Communications (The PR budget has effectively been transformed from £18,000 to £200,000)
 - A major 'Fall in Love with Reading' campaign to coincide with Valentine's Day
 - Coverage on breakfast TV, lunchtime programmes and sofa shows featuring celebrity ambassadors and inspirational learners
 - A news story about the economic impact of low literacy to break on launch day
 - Partnerships with BBC, Sky TV and the Daily Mirror under discussion
- The development of *Family Reading Breakfasts*, where parents and children come together to read in schools on World Book Day, including *Quick Reads* books for adults and World Book Day books for children
- An evolved outreach campaign to include
 - The development of self-sustaining reading groups in the community nationwide, utilising *Quick Reads*
 - *Quick Reads* morning breaks with key employers, including employer packs of free-standing display units, books and display materials, and employer refill packs
 - Resource packs and information for groups and other parties
 - Email engagement of practitioners
 - Updated web site

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- Development of work with key partners, including Apple, GoSpoken/Mobcast and other digital organisations, the Reading Agency, NIACE and more
- We have recently set up a partnership with Change 4 Life. A joint *Quick Reads*/Change 4 Life book will be published by Ebury in January 2011, one month before publication of the next set of *Quick Reads*. 50,000 copies will be given away in a voucher redemption mechanic with the Daily Mirror and a retail partner. The book may go on to be sold more widely thereafter. It features a prominent advertisement for *Quick Reads*.
- Retail support for *Quick Reads* 2012 is again very strong
 - *Quick Reads* will appear in WHS, WHS Travel and all major supermarkets (Tesco, Sainsbury and Morrisons, with Asda confirming next week) so that people can pick up a *Quick Read* with their shopping
 - Waterstones, Foyles, Easons, Dubray, O'Mahoney, Amazon.co.uk, Play.com and relevant independent bookshops are also in full support as are Bertrams, Gardners and library suppliers
 - All retailers will sell *Quick Reads* online (in print and ebook versions)
 - We are in discussions with Argos about a *Quick Reads* and Galaxy chocolate promotion in-store. This could be ideal for reaching the *Quick Reads* demographic through a new outlet when people have browse time
- Galaxy have confirmed their support for *Quick Reads* 2013 and will provide substantial investment to add value to the *Quick Reads* campaign in 2013. They have also provided funding to cover the cost of fundraising for core costs in 2013 and beyond. With this support we feel confident of our continuing ability to reach out to struggling, hard-to-reach communities, supporting people to start a reading journey, helping to transform lives, and to change the pattern of literacy across the UK and Ireland

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FINANCIAL REVIEW

The Statement of Financial Activities shows a net excess of expenditure over income of £11,196

While the charity has been fortunate in continuing to attract generous sponsorship from companies within the publishing and bookselling industry, there is a downward trend, reflecting the economic climate in the book trade

Book Tokens Limited once again donated a generous amount of money (£148,500) towards the costs of World Book Day and a further £10,000 contribution towards the running costs of the *digital* campaign

Investment powers and policy

Under the Memorandum of Association, the trustees have the power to deposit or invest funds in any manner they think fit, providing that they first obtain independent expert financial advice. In practice, any surplus funds are held on ordinary bank deposit and are likely to be so in the foreseeable future

Reserves policy

It is the policy of the charity to aim to establish and maintain unrestricted funds at a level which equates to approximately 30% of the following year's estimated resources to be expended. This provides sufficient funds to maintain, at least in the short term, the quality and effectiveness, of the annual World Book Day campaign in the event of there being a reduction in incoming resources

The actual reserves at 30th June 2011 were £220,878, which equates to a little over 23% of the total resources expended in the year under review

Plans for future periods

World Book Day's core objectives will remain the same, the promotion of reading and literacy, especially among the young but among the public as a whole. World Book Day's aspiration and objective is to encourage the habit of reading among the young, support literacy among reluctant or emergent readers in the adult community and to celebrate books with fully literate adult readers

2012 sees the continuation of World Book Night. Although World Book Night will be separately funded and managed, it is seen very much as an activity that complements World Book Day. World Book Night will take place in 2012 on April 23rd. *Quick Reads* launch of 2012 titles will take place on February 14th, therefore it is hoped to extend the awareness that World Book Day, *Quick Reads* and World Book Night seeks to promote, over a longer period

It is fair to say that the £1 flip-books, introduced in 2008, simply aren't as well-received by young readers as conventional, stand-alone stories

**WORLD BOOK DAY LIMITED
DIRECTORS' AND TRUSTEES' REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

Figures from Nielsen Book Scan support this

World Book Day £1 books 7 week unit 'sales' for each title

- 2007 – 10 x £1 titles 834,655
- 2008 – 9 x £1 titles 935,340
- 2009 – 6 x £1 titles 721,876
- 2010 – 6 x £1 titles 624,285
- 2011 – 6 x £1 titles 564,316

Steps are being taken to address this and to produce a series of titles that better engage young readers in 2012

2012 aims include:

- To produce and distribute £1 book tokens for distribution to school children throughout the UK
- To produce and distribute €1 50 book tokens for distribution to school children throughout Ireland
- To produce and distribute Point of Sale (POS) material for participating bookshops
- To promote the publication of the specially produced £1 (€1 50) books
- To progress the digital promotion of World Book Day to the secondary school age group and beyond
- To support the *Quick Reads* adult literacy campaign
- To work successfully alongside World Book Night
- To further develop the World Book Day website, www.worldbookday.com in line with all the activities above
- To continue to promote reading and literacy to children, young people and adults of all abilities throughout the UK and Ireland

We are delighted that leading children's illustrator, Axel Scheffler, will provide the designs for World Book Day 2012

The over-arching aim for World Book Day 2012 is to create a new level of ambition with the appointment of a Project Director and changes to governance outlined in the revised Memorandum and Articles of Association

**WORLD BOOK DAY LIMITED
DIRECTORS' AND TRUSTEES' REPORT
FOR THE YEAR ENDED 30TH JUNE 2011**

World Book Day – Trade Mark

It should be noted that after over three years of work, the legal side being undertaken on a pro bono basis by Chris Benson of Taylor Wessing, World Book Day and its logo have now been successfully trademarked in the UK and the ® mark will be used where appropriate

Trustees' responsibilities in relation the financial statements

The trustees and directors are responsible for preparing their annual report and the financial statements in accordance with applicable law and United Kingdom Generally Accepted Accounting Practice

The trustees are required by law to prepare financial statements for each financial year which give a true and fair view of the financial activities of the charity and of its financial position at the end of that year. In preparing those financial statements the trustees are required to

- (a) select suitable accounting policies and apply them consistently,
- (b) make sound judgements and estimates that are reasonable and prudent,
- (c) prepare the financial statements on a going concern basis unless it is inappropriate to assume that the charity will continue in operation

The trustees are responsible for keeping adequate accounting records which disclose with reasonable accuracy at any time the financial position of the charitable company and to enable them to ensure that the accounts comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the charity and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities

Trustees statement on disclosure of information to auditors

The trustees confirm that as far as they are aware, there is no relevant audit information of which the charity's auditors are unaware. They further confirm that they have taken all the steps that they ought to have taken as trustees and directors in order to make themselves aware of any relevant audit information and to establish that the charity's auditors are aware of that information

Auditors

A resolution will be proposed at the annual general meeting that Peter Hunt & Co be reappointed as auditors to the charity

Approval

This report was approved by the board of directors and trustees on 12th January 2012 and T E Godfray was authorised to sign it on their behalf -



T E Godfray
DIRECTOR AND TRUSTEE

PETER HUNT & CO

Chartered Accountants

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF WORLD BOOK DAY LIMITED

This report is issued in respect of an audit carried out under section 495 of the Companies Act 2006

We have audited the financial statements of World Book Day Limited for the year ended 30th June 2011 which comprise the Statement of Financial Activities (including a summary Income and Expenditure Account, the Balance Sheet and related notes) The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice)

This report is made solely to the charity's members, in accordance with Chapter 3 of Part 6 of the Companies Act 2006 Our audit work has been undertaken so that we might state to the charity's member those matters we are requested to state to them in an auditor's 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 charity and the charity's members as a body for our audit work, or for this report or for the opinions we have formed

Respective responsibilities of trustees and auditors

The charity's trustees (who are also the directors of World Book Day Limited for the purposes of company law) are responsible for the preparation of the Report of the Trustees and the financial statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) as set out in the Statement of Trustees' Responsibilities (page 20) and for being satisfied that they show a true and fair view

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International standards on Auditing (UK and Ireland) Those standards require us to comply with the Auditing Practices Board's (APB's) Ethical Standards for Auditors

Scope of the audit of the financial statements

A description of the scope of an audit of financial statements is provided on the APB's website at www.frc.org.uk/apb/scope/private.cfm

Opinion on financial statements

In our opinion the financial statements

- (a) give a true and fair view, of the state of the charity's affairs as at 30th June 2011 and of its incoming resources and application of resources, including its income and expenditure, in the period then ended, and
- (b) have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, and
- (c) have been prepared in accordance with the provisions of the Companies Act 2006

DIRECTORS P C P HUNT FCA J G COOK ACA
TAX MANAGER K A P HIGGINS

PETER HUNT & CO LIMITED (company number 05834701) Registered in England & Wales
Registered Office ARGON HOUSE, ARGON MEWS, FULHAM BROADWAY, LONDON SW6 1BJ
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VAT REG NO 242 8130 85

PETER HUNT & CO

Chartered Accountants

REPORT OF THE INDEPENDENT AUDITORS TO THE MEMBERS OF WORLD BOOK DAY LIMITED

Opinion on other matter prescribed by the Companies Act 2006

In our opinion the information given in the Trustees' Annual Report for the financial year for which the financial statements are prepared is consistent with the financial statements

Matters on which we are required to report by exception

We have nothing to report in respect of the following matters where the Companies Act 2006 requires us to report to you if, in our opinion

adequate accounting records have not been kept or returns adequate for our audit have not been received from branches not visited by us, *or*

the financial statements are not in agreement with the accounting records and returns, or certain disclosures of trustees' remuneration specified by law are not made, *or*

we have not received all the information and explanations we require for our audit, *or*

the trustees were not entitled to prepare the financial statements in accordance with the small companies' regime and take advantage of the small companies exemption in preparing the Trustees' Annual Report



Jeremy Cook
SENIOR STATUTORY AUDITOR
For and on behalf of
Peter Hunt & Co Limited
Chartered Accountants
Statutory Auditors

17/01/12

DIRECTORS P C P HUNT FCA J G COOK ACA
TAX MANAGER K A P HIGGINS

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WORLD BOOK DAY LIMITED
STATEMENT OF FINANCIAL ACTIVITIES
(INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30TH JUNE 2011

Summary income and expenditure account

	Note	<u>Restricted funds</u>	<u>Unrestricted funds</u>	<u>Total funds</u>	<u>2010</u>
Incoming resources					
Incoming resources from generated funds					
Voluntary income	3	430,829	486,355	917,184	552,867
Investment income	6	<u>—</u>	<u>128</u>	<u>128</u>	<u>67</u>
		430,829	486,483	917,312	552,934
Incoming resources from charitable activities	7	<u>—</u>	<u>18,936</u>	<u>18,936</u>	<u>79,089</u>
Total incoming resources		<u>430,829</u>	<u>505,419</u>	<u>936,248</u>	<u>632,023</u>
Resources expended					
Charitable activities	7	425,829	501,189	927,018	589,062
Governance costs	8	<u>5,000</u>	<u>15,426</u>	<u>20,426</u>	<u>10,801</u>
Total resources expended		<u>430,829</u>	<u>516,615</u>	<u>947,444</u>	<u>599,863</u>
Net income less expenditure for the year		—	(11,196)	(11,196)	32,160
Funds brought forward		<u>—</u>	<u>232,074</u>	<u>232,074</u>	<u>199,914</u>
Funds carried forward		<u>Nil</u>	<u>£220,878</u>	<u>£220,878</u>	<u>£232,074</u>

There were no recognised gains and losses other than through the income and expenditure account. All incoming resources and resources expended derive from continuing activities.

**WORLD BOOK DAY LIMITED
BALANCE SHEET
AT 30TH JUNE 2011**

COMPANY NUMBER 03783095

	<u>Note</u>	<u>2011</u>	<u>2010</u>
Current assets			
Debtors	9	114,614	175,590
Cash at bank		<u>224,865</u>	<u>187,769</u>
		339,479	363,359
Creditors amounts falling due within one year	10	<u>118,601</u>	<u>131,285</u>
Net assets		<u>£220,878</u>	<u>£232,074</u>
The funds of the charity			
Unrestricted funds (page 23)		<u>£220,878</u>	<u>£232,074</u>

These accounts are prepared in accordance with the special provisions relating to small companies within Part 15 of the Companies Act 2006 and with the Financial Reporting Standard for Smaller Entities (effective April 2008)

The accounts were approved by the board of directors and trustees on 12th January 2012 and T E Godfray was authorised to sign the balance sheet on their behalf



T E Godfray
DIRECTOR AND TRUSTEE

**WORLD BOOK DAY LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30TH JUNE 2011**

1. ACCOUNTING POLICIES

1.1 Basis of preparation of accounts

The accounts are prepared under the historical cost convention

The accounts have been prepared in compliance with Accounting and Reporting by Charities Statement of Recommended Practice (issued in March 2005), the Financial Reporting Standard for Smaller Companies (effective April 2008) applicable accounting standards and the Companies Act 2006. The principal accounting policies adopted in the preparation of the financial statements are set out below

1.2 Incoming resources

Voluntary income, including sponsorship, donations, and grants that provide core funding or are of general nature, is recognised when receivable where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability. Such income is only deferred when

- The donor specifies that the grant or donation must only be used in future accounting periods, or
- The donor has imposed conditions which must be met before the charity has unconditional entitlement

Income from fund raising activities is recognised as earned (as the related goods and services are provided)

Investment income is recognised on a receivable basis

Income from charitable activities, including sundry sales of World Book Day materials, recharges of shared costs and grants (where such grants are subject to specific performance conditions), is recognised where there is entitlement, certainty of receipt and the amount can be measured with sufficient reliability

1.3 Resources expended

Expenditure is recognised when a liability is incurred

- Costs of generating funds are those costs incurred in attracting voluntary income, and those incurred in fund raising activities
- Cost of charitable activities relate to the organisation, promotion and evaluation of the series of events that constitute World Book Day each year
- Governance costs include those incurred in the governance of the charity and its assets and are primarily associated with constitutional and statutory requirements

WORLD BOOK DAY LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30TH JUNE 2011

1.4 Unrestricted funds

Unrestricted funds are incoming resources receivable for the objects of the charity without further specified purpose and are available as general funds

Restricted funds

Restricted funds are those funds to be used for specific purposes as laid down by the provider of those funds

1.6 Donated services and facilities

Donated services and facilities are included in the Statement of Financial Activities as both incoming and expended resources at the estimated open market value of the service or facility received, except where that value is not reasonably quantifiable and measurable

1.7 Cash flow statement

The charity has taken advantage of the exemption in Financial Reporting Standard No 1 from the requirement to produce a cash flow statement

2. Legal status of the charity

The charity is a company limited by guarantee and has no share capital. The liability of each member in the event of the company being wound up is limited to £1

3. Voluntary income

	<u>2011</u>	<u>2010</u>
Sponsorship	489,355	412,667
Grants (see note 4)	108,343	111,700
Donated services and facilities (see note 5)	<u>319,486</u>	<u>28,500</u>
	<u>£917,184</u>	<u>£552,867</u>

4. Grants

	<u>2011</u>	<u>2010</u>
Arts Council of England	50,000	50,000
National Institute of Adult Continuing Education	<u>58,343</u>	<u>61,700</u>
	<u>£108,343</u>	<u>£111,700</u>

The grants in both 2010 and 2011 were to promote adult literacy and to that end were primarily used to help fund the *Quick Reads* campaign

**WORLD BOOK DAY LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30TH JUNE 2011**

5. Donated services and facilities

As stated in the trustees' report, the Booksellers and Publishers Associations provided administrative assistance free of charge

Mars Chocolate UK Limited, through their Galaxy brand, paid for advertising costing £300,000 in support of the Quick Reads campaign

Other Quick Reads costs totalling £7,486 were paid for on behalf of the charity by the National Institute of Adult Continuing Education (NIACE)

Legal services with an estimated market value of £5,000 in connection with registering World Book Day as a trade mark, were provided free of charge by Taylor Wessing

The cost headings under which the donated services appear are as follows

	<u>2011</u>	<u>2010</u>
<i>Quick Reads</i>	307,486	–
<i>Coordination</i>	7,000	7,000
<i>Read to a Million Kids</i>	–	21,500
<i>Legal costs</i>	<u>5,000</u>	<u>–</u>
	<u>£319,486</u>	<u>£28,500</u>

As stated in the trustees' report, the charity distributed over 14 million £1 book tokens. The charity paid for the design, printing and distribution of the tokens, but the cost of those redeemed was met by book retailers

Some of the tokens were redeemed against ordinary books, while others were redeemed against special books provided by publishers as part of the promotion at a cost of 10p per unit to the retailers

As in previous years, no amount for any donated element by retailers or publishers has been included in the statement of financial records as in the opinion of the trustees the value (as determined by the 2005 Accounting and Reporting by Charities Statement of Recommended Practice) is neither known nor capable of accurate estimation

6. Investment income

	<u>2011</u>	<u>2010</u>
United Kingdom deposit account interest	<u>£128</u>	<u>£67</u>

WORLD BOOK DAY LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30TH JUNE 2011

7. Charitable activities – net cost of World Book Day

Income from charitable activities	<u>2011</u>	<u>2010</u>
School packs insertions and sales	18,936	14,727
Floor standing display units	–	55,000
<i>Read to a Million Kids</i>	–	9,362
	<u>£18,936</u>	<u>£79,089</u>

Expenditure on charitable activities	<u>2011</u>	<u>2010</u>
Launch events	–	3,569
School packs and communications	38,078	22,860
Book tokens	181,912	173,543
Public relations and material	69,326	77,925
Adult literacy initiative	–	4,334
<i>Quick Reads (see note below)</i>	437,918	114,141
Website costs	26,803	11,579
Project co-ordination	55,055	58,088
Artwork and design	8,735	8,263
Net postage and distribution costs	925	1,388
Helpline costs	10,964	8,214
<i>digi-tale</i>	11,050	–
Evaluation	546	17,147
Storytime online (previously <i>Read to a Million Kids</i>)	35,396	34,513
Point-of-sale materials	50,310	53,498
	<u>£927,018</u>	<u>£589,062</u>

Quick Reads

Donated services (see note 5)	307,486	–
Other costs	130,432	114,141
	<u>£437,918</u>	<u>£114,141</u>

8. Governance costs

	<u>2011</u>	<u>2010</u>
Legal fees	6,500	–
Audit fee	5,350	4,900
Book-keeping and accounting	8,120	5,880
Other governance costs	456	21
	<u>£20,426</u>	<u>£10,801</u>

9. Debtors

	<u>2011</u>	<u>2010</u>
Trade debtors	106,547	156,192
Prepayments and accrued income	8,067	19,398
	<u>£114,614</u>	<u>£175,590</u>

WORLD BOOK DAY LIMITED
NOTES TO THE ACCOUNTS
FOR THE YEAR ENDED 30TH JUNE 2011

10. Creditors: amounts falling due within one year

	<u>2011</u>	<u>2010</u>
Value added tax	41,267	29,623
Trade creditors	35,113	80,316
Accrued costs and deferred income	<u>42,221</u>	<u>21,346</u>
	<u>£118,601</u>	<u>£131,285</u>

11. Trustees' remuneration and expenses

No remuneration was paid directly or indirectly to any trustee nor were any expenses reimbursed to any trustee in either 2011 or 2010