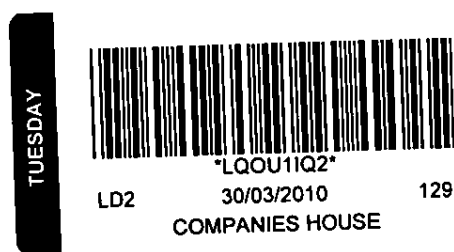


Company registration number: 03783095

Charity number 1079257

WORLD BOOK DAY LIMITED
DIRECTORS' AND TRUSTEES' REPORT AND ACCOUNTS
30TH JUNE 2009



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

WORLD BOOK DAY LIMITED

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**WORLD BOOK DAY LIMITED
DIRECTORS' AND TRUSTEES' REPORT
FOR THE YEAR ENDED 30TH JUNE 2009**

The directors and trustees present their report and accounts for the year ended 30th June 2009

REFERENCE AND ADMINISTRATIVE DETAILS

Company number	03783095
Charity number	1079257 (registered under the name World Book Day)
Registered office and principal Business address	272 Vauxhall Bridge Road London SW1V 1BA
Bankers	Barclays Bank plc 128 Moorgate London EC2M 6SX
Auditors	Peter Hunt & Co Argon House Argon Mews Fulham Broadway London SW6 1BJ
Solicitors	Thring Townend Lee & Pembertons 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 2008 have been as follows

<u>Name</u>	<u>Nominated by</u>	<u>Date of appointment</u>	<u>Date of resignation</u>
V Barnsley	The Publishers Association	1 st July 2009	-
T Bourne	The Booksellers Association	6 th September 2006	-
P L A Dickinson	The Publishers Association	1 st July 2007	1 st July 2008
T E Godfray	The Booksellers Association	7 th June 1999	-
N Jewsbury	The Booksellers Association	1 st July 2008	1 st July 2009
J Makinson	The Publishers Association	1 st July 2007	-
E Y McQuade	The Publishers Association	1 st July 2007	-
J Wilson OBE	See below	1 st January 2006	-

Jacqueline Wilson is independent of both the Booksellers Association and Publishers Association and was nominated jointly by both organisations

**WORLD BOOK DAY LIMITED
DIRECTORS' AND TRUSTEES' REPORT
FOR THE YEAR ENDED 30TH JUNE 2009**

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 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.

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 2009 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 2009 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, free of charge to the charity, provide additional support and administration. A public relations company is also employed on a contract basis to promote the charity's activities.

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. They are also each entitled to nominate up to five members of the executive committee.

**WORLD BOOK DAY LIMITED
DIRECTORS' AND TRUSTEES' REPORT
FOR THE YEAR ENDED 30TH JUNE 2009**

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 remains the promotion of reading, to the general public particularly, but not exclusively, to the young and to those adults with lower than average reading skills.

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 2009 it was 4th March) known as World Book Day.

The focus and results of the specific events and promotions that comprised World Book Day 2009 are as follows:

Main objectives for World Book Day 2009

- To encourage reading amongst school and pre-school aged children
- To continue to support the *Quick Reads* literacy initiative aimed at reluctant adult readers
- To celebrate reading and promote adult awareness of World Book Day through the *Spread the Word* campaign
- The general promotion of reading and literacy throughout the UK and Ireland for public benefit

Strategies for achieving World Book Day objectives in 2009

- To produce and distribute over 13 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 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 continue to build the *Spread the Word* campaign to promote *Books to Talk About* including public voting
- To develop resources and activities – '*Fun Stuff*' – mainly for children and schools, on the World Book Day website, www.worldbookday.com

World Book Day 2009: activities, participation and evaluation

World Book Day was held on March 4th 2009 and associated events and promotions took place over the period surrounding the day. Significant activities included:

Pre-school activity

Registrations in 2009 increased to 13,713 from 13,681 in 2008.

98% of pre-school groups think that World Book Day is a good or very good thing, and after only 6 years of operating in this sector over 85% think that World Book Day has become well established.

**WORLD BOOK DAY LIMITED
DIRECTORS' AND TRUSTEES' REPORT
FOR THE YEAR ENDED 30TH JUNE 2009**

School activity

Over 26,000 primary, full age range and special schools in the UK were mailed with book tokens, schools packs and display materials, as were 4,095 registered secondary schools (up from 4,027 in 2008). Around 5,000 schools in Ireland were also mailed.

94% of primary schools participated, as did 98% of full age range schools, and 97% of registered secondary schools.

Within all schools 90% think that World Book Day is a good or very good thing.

Library activity

100% of local education authorities participated in some or all elements of World Book Day in 2009, up on 95% in 2008.

Bookseller activity

Retailer participation in World Book Day was maintained in 2009, despite losing Woolworths. Nearly 3,400 dumpbins were supplied to over 3,000 participating outlets, including bookshops and supermarket branches. Independent bookshops' feedback shows that they were supportive and were able to maintain or increase links with local schools.

- 93% used World Book Day Point of Sale ("PoS") (2008 89%, 2007 82%)
- 42% stocked Quick Reads PoS (2008 42%, 2007 35%)
- 29% shops' staff visited schools (2008 32%, 2007 26%)
- 38% organised or hosted events for schools (2008 21%, 2007 30%)

Six special £1 books (£1.50 in Ireland) were published

These titles were approved by a panel of specialist children's publishers and booksellers with the aim of appealing to both boys and girls and across a range of ages.

For the first time, five of these titles were 'flip-books', each containing two separate stories by different authors in a single volume. This expanded and enhanced the reading experiences of children by giving access to the work of more authors from a wider selection of publishers.

A picture book for the youngest age group of children, *The Tyrannosaurus Drip Songbook*, was produced in traditional format.

The five flip books were

Mr Gum and the Hound of Lamonio Bibber / Sephir the Storm Monster
Winnie to the Rescue! / Yuck's Rotten Joke Ha! Ha! Ha!
Percy Jackson and the Sword of Hades / Horrible Histories Groovy Greeks
Spook's Tale / The Interception Point
Ten Stations / Mates Dates the Secret Story

Sales of £1 books (figures provided by Nielsen Bookscan)

The new £1 flip books were well received, with sales of the £1 books up an average of 22.15% per title and all of the £1.00 World Book Day titles residing in the all books top ten chart, as well as taking the top six slots in the children's bestsellers chart. However, as in all previous years that have seen (only) six special £1 books, sales overall were down – the 721,876 units sold were 22.8% lower than the sales of the nine £1 books in 2008.

**WORLD BOOK DAY LIMITED
DIRECTORS' AND TRUSTEES' REPORT
FOR THE YEAR ENDED 30TH JUNE 2009**

The schools' short story competition

With some variation on 2008, the 2009 schools' short story competition, facilitated and administered by Evans Publishing, was once again very successful

Publishing separate winning anthologies for primary and secondary school children made greater sense and provided a better focus than the joint volume published in 2008

1,779 schools registered to participate, with 480 schools eventually submitting 5,440 stories for consideration, alongside hundreds of illustrations

There were slightly fewer entries than in 2008, but the quality was judged to be higher. In the end, each anthology included 11 pieces of work rather than the planned ten, and garnered an impressive amount of local and educational media coverage

Spread the Word: Books to Talk About

This initiative once again provided a focus for publishers' *'Hidden Gems'*, attracting participation from eight new publishers in addition to the 12 first time participants in 2008

In 2009, the dedicated site *spread-the-word.org.uk* had 163,521 page views from 48,405 visits, compared to 20,017 page views of the microsite in 2008

There was an increase in both votes and comments posted on the site, despite there being fewer long list titles (50 in 2009, 100 in 2008)

The 2009 Book to Talk About, *Season of the Witch* by Natasha Mostert quadrupled its sales in the total consumer market over the World Book Day period, although this was from a small base

It is apparent that although the initiative is popular, particularly amongst small publishers (there are regular queries about future participation) and the authors concerned for the additional profile it offers, it does not have any major effect on the retail trade, despite support from Waterstone's, Borders and some independent book stores as well as some of the public library sector. As a result the future format of the campaign has yet to be decided

**WORLD BOOK DAY LIMITED
DIRECTORS' AND TRUSTEES' REPORT
FOR THE YEAR ENDED 30TH JUNE 2009**

Worldbookday.com

There was another substantial increase in traffic to, and use of the site. These impressive figures were achieved through our work with Pedalo Web Design & Management.

Redemption period (28 days)

	<u>2009</u>	<u>2008</u>
Total visits	195,558	130,421
Page views	709,091	407,043
Visitors	144,018	100,046

Life of site (from launch date in September to the end of the following March)

	<u>2009</u>	<u>2008</u>
Total visits (from 180 countries)	308,453	*
Page views	1,184,548	*
Visits to fun stuff section	93,828	57,561

* Figures not available

	<u>2009</u>	<u>2008</u>	<u>2007</u>
Unique visitors	225,642	186,416	109,011

In 2008 *Spread the Word* was hosted on the main site and had 20,000 page views included in the above data. In 2009 the dedicated *Spread the Word* site had 163,521 page views from 48,805 visits in addition to the above data.

Awareness of World Book Day amongst children and adults (evaluation by Book Marketing Limited)

Amongst children, awareness of World Book Day was at its highest level ever in 2009, with 89% of children recalling the event, up from 83% in 2008.

Whilst a more or less static percentage of children remember receiving a World Book Day £1 book token (82% in 2009 over 84% in 2008), of those 7-16 year olds responding positively there was a substantial drop in the use of the token to 38% from 55% in 2008. It is possible that this is a more accurate figure for overall token redemption, it may also be that the perceived value of the £1 book token has reached a tipping point.

Amongst adults, awareness levels were little changed at 45% in 2009, a drop of 1% over 2008, but gains were achieved in awareness amongst the C1, D and E social groups, demonstrating that World Book Day is reaching wider than ever before. This may be an effect of the growing establishment of the *Quick Reads* campaign in that market, as well as more extensive media coverage in appropriate areas.

World Book Day 2009 media coverage highlights

Colman Getty's approach of promoting both core, well established World Book Day activities as well as finding new and imaginative ideas to interest the media paid off once again, with excellent increases in Advertising Value Equivalent ('AVE') in 2009. The figures below cover print media only, but the achievement is echoed with the strength and breadth of broadcast media coverage.

**WORLD BOOK DAY LIMITED
DIRECTORS' AND TRUSTEES' REPORT
FOR THE YEAR ENDED 30TH JUNE 2009**

	<u>AVE</u>	<u>Total circulation</u>
AVE in the period from 7th January to 30th April 2009		
World Book Day 2009 campaign	£3,379,765	717,531,730
<i>Quick Reads</i>	£286,345	28,926,356
Breakdown for World Book Day campaign messages*		
£1 books	£171,719	8,487,371
Wales	£161,463	4,135,778
<i>Guilty Pleasures</i> news story	£104,855	282,532,507
Specific mentions of National Book Tokens	£50,256*	3,455,727
<i>Books to Talk About</i>	£48,036	4,327,896
<i>Schools' Short Story Competition</i> /Evans	£32,735	1,674,434

*This calculation measures all mentions of National Book Tokens as sponsors

Comparisons with previous years*

<u>Year</u>	<u>AVE</u>	<u>Circulation</u>
2006	£3,246,368	126,394,463
2007	£1,773,839	145,271,272
2008	£3,233,005	119,971,261

World Book Day's supported charities

Despite competing in a difficult economic year with Comic Relief's Red Nose Day, both Readathon and Book Aid International were able to raise significant funds from directly related World Book Day activity

Readathon - £262,482 (2008 £310,768)

Book Aid International - £54,000 (2008 £61,195)

QUICK READS 2009

In 2009, Quick Reads published ten new titles by bestselling writers and personalities for people who struggle with reading and for those wanting a short, fast read

A Cool Head by Ian Rankin
The Cave by Kate Mosse
Black-Eyed Devils by Catrin Collier
The Dare by John Boyne
Doctor Who The Sontaran Games by Jacqueline Rayner
The Tannery by Sherrie Hewson
All These Lonely People by Gervase Phinn
101 Ways to get your Child to Read by Patience Thomson
Reaching for the Stars by Lola Jaye
Dragons' Den Your Road to Success by The Dragons with Evan Davis

**WORLD BOOK DAY LIMITED
DIRECTORS' AND TRUSTEES' REPORT
FOR THE YEAR ENDED 30TH JUNE 2009**

2009 distribution

- A 12.8% increase in distribution through book retailers was recorded by Nielsen Bookscan
- 77,000 copies were taken by the National Institute of Adult Continuing Education for workplaces (45,000 in 2008)
- 20,000 were taken by TUC unionlearn for workplace learning centres
- Over 1.25 million *Quick Reads* have so far been distributed – to settings where they are each read by several people
- In addition, there have been over a million loans through libraries
- *Quick Reads* are now widely available in adult education colleges, workplaces, learning centres, prisons, hospitals, stroke recovery units, dyslexia centres, care homes, community centres, family learning groups, pre-schools, projects for people whose first language is not English, organizations working with homeless people and traveller communities, and RAF bases
- Throughout the book trade, there is ongoing and increasing support for *Quick Reads*

Evaluation

- This year's evaluation covered tutors teaching over 30,000 adult learners, emergent readers themselves, and unionlearn representatives, who have used *Quick Reads* with in workplaces
- Key findings include
 - All the emergent readers evaluated said that they felt that *Quick Reads* had made a positive impact on their lives
 - 82% said they were more likely to read other books since reading a *Quick Reads*
 - 41% said they felt their job prospects had improved since learning to read with *Quick Reads*
 - 88% said they felt more confident at home
 - 80% said they felt more confident at work
 - 81% said they felt their family life had improved
 - In workplaces, 75% of learning reps said they believed their colleagues were now reading for pleasure after using *Quick Reads*
 - 73% believed their colleagues were now reading different books
 - 55% believed the use of *Quick Reads* had improved morale in the workplace
 - 40% saw improved communication skills in their colleagues since using *Quick Reads*
 - In literacy classes, 98% of tutors said they believed that *Quick Reads* had been useful in helping their readers to progress
 - 89% of tutors had seen increased communication skills in their learners after using *Quick Reads*
 - 78% saw better written skills
 - 66% saw increased analytical skills

**WORLD BOOK DAY LIMITED
DIRECTORS' AND TRUSTEES' REPORT
FOR THE YEAR ENDED 30TH JUNE 2009**

FINANCIAL REVIEW

The Statement of Financial Activities shows a net excess of income over expenditure of £16,573

The charity has been fortunate in continuing to attract generous sponsorship from companies within the publishing and bookselling industry

Book Tokens Limited once again donated a generous amount of money (£165,000) towards the costs of World Book Day and a further £11,000 for the sponsorship of the Quick Reads competition

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 the 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.

This represents a change to previous reserves policy which was based on 20% of the following year's estimated expenditure and reflects increased uncertainties of future funding resulting from depressed economic conditions in general, and the current financial difficulties of the book trade in particular.

The actual reserves at 30th June 2009 were £199,914, which equates to a little over of the total resources expended in the year under review. The trustees intend to take measures to reduce this percentage.

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.

In 2010 there will be a major emphasis on delivering a wide ranging campaign through national print media to reach adult book buyers. The Buy One Give One Free initiative will emphasise the giving element of World Book Day through personal gifting and giving to charities or other deserving bodies.

2010 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 material for participating bookshops
- To promote the publication of the specially produced £1 (£1.50) books
- To support the *Quick Reads* adult literacy campaign
- To launch the Buy One Give One Free adult initiative
- 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, Jo Berger, will provide the designs for World Book Day 2010.

**WORLD BOOK DAY LIMITED
DIRECTORS' AND TRUSTEES' REPORT
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There will be six £1/€1.50 books produced by publishers for World Book Day, designed to appeal across age ranges and gender

The books are

Thomas & Friends Thomas to the Rescue
Kitten Chaos / Magic Ballerina The Magic Dance
The Charlie Small Journals Valley of Terrors / Dinosaur Cove Battle of the Giants
Grubtown Tales The Great Pasta Disaster / Pongwiffy and the Important Announcement
Jamie Johnson Born to Play / Young Samuari The Way of the Fire
Walking the Walls / Medusa Project The Thief

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 20th January 2010 and T E Godfray was authorised to sign it on their behalf -



T E Godfray
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 2009 which comprise the Statement of Financial Activities (including a summary Income and Expenditure Account, the Balance Sheet and related notes. These financial statements are prepared under the accounting policies set out therein and in accordance with the Financial Reporting Standard for Smaller Entities (effective April 2008)

This report is made solely to the charity's members, in accordance with the provisions 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, 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 on page 12

Our responsibility is to audit the financial statements in accordance with relevant legal and regulatory requirements and International standards on Auditing (UK and Ireland)

We report to you our opinion as to whether the financial statements give a true and fair view and are properly prepared in accordance with the Companies Act 2006. We also report to you if, in our opinion, the Report of the Trustees is not consistent with the financial statements, if the charitable company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding trustees' remuneration and transactions with the company is not disclosed

We read other information contained in the Report of the Trustees and consider whether it is consistent with the audited financial statements. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the financial statements. Our responsibilities do not extend to any other information

Basis of opinion

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements. It also includes an assessment of significant estimates and judgements made by the trustees in the preparation of the financial statements, and of whether the accounting policies are appropriate to the charity's circumstances, consistently applied and adequately disclosed

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the financial statements

P C P HUNT J G COOK
TAX MANAGER K A P HIGGINS

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TEL 020-7381 6366 FAX 020-7385 1087 E-MAIL Peterh@peterhunt.co.uk WEB www.peterhunt.co.uk

VAT REG NO 32 8130 85

PETER HUNT & CO

Chartered Accountants

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

Opinion

In our opinion

- (a) the financial statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the charity's affairs as at 30th June 2009 and of its incoming resources and application of resources, including its income and expenditure, in the period then ended
- (b) the financial statements have been properly prepared in accordance with the provisions of the Companies Act 2006
- (c) the information given in the Report of the Trustees is consistent with the financial statements

J G Cook
Senior Statutory Auditor
For and on behalf of
Peter Hunt & Co
Chartered Accountants
Registered Auditors

2nd February 2010

P C P HUNT J G COOK
TAX MANAGER K A P HIGGINS

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VAT REG NO 42 8130 85

Registered to carry on audit work and regulated for a range of investment business activities by the Institute of Chartered Accountants in England and Wales

WORLD BOOK DAY LIMITED
STATEMENT OF FINANCIAL ACTIVITIES (INCLUDING INCOME AND EXPENDITURE ACCOUNT)
FOR THE YEAR ENDED 30TH JUNE 2009

Summary income and expenditure account

	<u>Note</u>	<u>Restricted funds</u>	<u>Unrestricted funds</u>	<u>Total funds</u>	<u>2008</u>
Incoming resources					
Incoming resources from generated funds					
Voluntary income	3	101,815	461,306	563,121	544,850
Investment income	6	<u>-</u>	<u>1,155</u>	<u>1,155</u>	<u>2,245</u>
		101,815	462,461	564,276	547,095
Incoming resources from charitable activities	7	<u>-</u>	<u>77,311</u>	<u>77,311</u>	<u>39,476</u>
Total incoming resources		<u>101,815</u>	<u>539,772</u>	<u>641,587</u>	<u>586,571</u>
Resources expended					
Charitable activities	7	101,815	512,453	614,268	495,251
Governance costs	8	<u>-</u>	<u>10,746</u>	<u>10,746</u>	<u>10,065</u>
Total resources expended		<u>101,815</u>	<u>523,199</u>	<u>625,014</u>	<u>505,316</u>
Net income less expenditure for the year		-	16,573	16,573	81,255
Funds brought forward		<u>-</u>	<u>183,341</u>	<u>183,341</u>	<u>102,086</u>
Funds carried forward		<u>nil</u>	<u>£199,914</u>	<u>£199,914</u>	<u>£183,341</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 2009

COMPANY NUMBER: 03783095

	<u>Note</u>	<u>2009</u>	<u>2008</u>
Current assets			
Debtors	9	211,520	155,132
Cash at bank		<u>67,685</u>	<u>106,612</u>
		279,205	261,744
Creditors amounts falling due within one year	10	<u>79,291</u>	<u>78,403</u>
Net assets		<u>£199,914</u>	<u>£183,341</u>
The funds of the charity			
Unrestricted funds (page 15)		<u>£199,914</u>	<u>£183,341</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 20th January 2010 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 2009**

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

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

1.5 Restricted funds

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

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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 Cashflow 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 is the event of the company being wound up is limited to £1

3. VOLUNTARY INCOME

	<u>2009</u>	<u>2008</u>
Sponsorship	465,306	458,750
Grants (see note 4)	90,815	77,100
Donated services and facilities (see note 5)	<u>7,000</u>	<u>9,000</u>
	<u>£563,121</u>	<u>£544,850</u>

4. GRANTS

	<u>2009</u>	<u>2008</u>
Arts Council of England	41,667	45,000
National Institute of Adult Continuing Education	<u>49,148</u>	<u>32,100</u>
	<u>£90,815</u>	<u>£77,100</u>

The grants in both 2008 and 2009 were to promote adult literacy and to that end were used to help fund the Quick Reads campaign

5 DONATED SERVICES AND FACILITIES

As is stated in the trustees' report, the Booksellers and Publishers Associations provide administrative assistance free of charge. In addition a venue and facilities for the 2008 trade presentation event was provided at no cost

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

	<u>2009</u>	<u>2008</u>
Coordination	7,000	7,000
Trade presentation	<u>-</u>	<u>2,000</u>
	<u>£7,000</u>	<u>£9,000</u>

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As stated in the trustees' report, the charity distributed over 13 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>2009</u>	<u>2008</u>
United Kingdom deposit account interest	<u>£1,155</u>	<u>£2,245</u>

7 CHARITABLE ACTIVITIES – NET COST OF WORLD BOOK DAY

<u>Income from charitable activities</u>	<u>2009</u>	<u>2008</u>
Contributions to print materials	725	225
Sale of school packs	10,160	19,851
Floor standing display units	50,000	-
<i>Spread the Word</i>	<u>16,426</u>	<u>19,400</u>
	<u>£77,311</u>	<u>£39,476</u>

<u>Expenditure on charitable activities</u>	<u>2009</u>	<u>2008</u>
Adult promotion (<i>Spread the Word</i>)	51,930	38,389
Launch events	-	(306)
School packs and communications	27,782	26,600
Book tokens	188,366	190,571
Public relations and material	75,965	59,978
Books for hospitals promotion	-	4,010
<i>Quick Reads</i>	119,771	85,545
Website costs	6,816	7,335
Project co-ordination	48,035	43,458
Artwork and design	9,740	8,355
Net postage and distribution costs	4,484	3,014
Helpline costs	7,896	8,164
Trade presentation	569	2,000
Evaluation	14,957	14,860
Video production costs	-	3,278
Floor standing display units	<u>57,957</u>	<u>-</u>
	<u>£614,268</u>	<u>£495,251</u>

8 GOVERNANCE COSTS

	<u>2009</u>	<u>2008</u>
Audit fee	4,925	3,650
Book-keeping and accounting	5,882	5,400
Other governance costs	<u>61</u>	<u>1,015</u>
	<u>£10,746</u>	<u>£10,065</u>

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9 DEBTORS

	<u>2009</u>	<u>2008</u>
Trade debtors	209,520	149,668
Prepayments and accrued income	<u>2,000</u>	<u>5,464</u>
	<u>£211,520</u>	<u>£155,132</u>

10 CREDITORS AMOUNTS FALLING DUE WITHIN ONE YEAR

	<u>2009</u>	<u>2008</u>
Value added tax	6,210	24,228
Trade creditors	14,354	20,300
Accrued costs and deferred income	<u>58,727</u>	<u>33,875</u>
	<u>£79,291</u>	<u>£78,403</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 2009 or 2008