

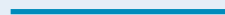
NZ On Air

# SIX MONTHLY REPORT

31 December 2015



**NZ On Air**  
Irirangi Te Motu



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## Summary

This report tracks progress against our Statement of Performance Expectations. Most areas are on track to meet targets and there are no significant matters of concern to bring to your attention. Competition for funding is intensifying as our budgets run low. Television continues to provide the largest viewing audiences for funded content but audience behavior is changing. We will report on the Effectiveness Indicators set out in the SPE at 12 months as most measures involve annual data.

## 1. Sector Collaboration

We continue to work collaboratively with agencies when we identify a collective opportunity to contribute to improved outcomes.

Agency	Update
NZ Music Commission / Te Māngai Pāho / Creative NZ	<b>The CPMG</b> (Contemporary Popular Music Group). 12-month report provided to Ministers in December.  <b>Co-funded</b> two projects with Te Māngai Pāho: <i>Waru</i> 8 x 10' drama series (NZFC to provide industry training around this project) and <i>Te Araroa: Tails From the Trails</i> 7 x 1 hour documentary series.
NZ Music Commission: selected co-ventures	Of the 12 applications to the Music Commission's latest Outward Sound international funding round, 10 (83%) were from NZ On Air-supported artists.
Broadcasting Standards Authority	Shared services arrangement continues to work well.
NZ Film Commission	<b>Co-funded</b> two feature films: <i>Hunt For the Wilderpeople</i> and <i>Tip Top Taj Mahal</i>

## 2. Audience response: Top 10 NZ On Air Funded Television Programmes 1 July – 31 December 2015

Rank	Programme	YTD AUDIENCE RESULTS				
		Genre	Channel	Episodes	Average Rating % *	Average Audience
1	Hyundai Country Calendar	Documentary	TV One	17	13.9	587,800
2	Gloriavale: Life and Death	Documentary	TV2	1	12.5	523,300
3	Topp Country	Factual	TV One	10	12.2	512,400
4	Keeping Up With the Kaimanawas	Factual	TV One	3	11.6	487,900
5	House Hunt	Factual	TV One	7	9.9	419,600
6	The DNA Detectives	Documentary	TV One	6	9.8	410,300
7	Abandoned	Drama	TV One	1	9.3	392,000
8	How To Murder Your Wife	Drama	TV One	1	8.7	365,200
9	The Monster of Mangatiti	Docu/Drama	TV One	1	8.7	365,100
10	Lost and Found	Documentary	TV3	2	8.4	352,400

\*consolidated rating All People 5+: 1 July 2015 – 31 December 2015

**3. Audience response: Top 5 most played NZ songs on NZ Radio** *(for 6 months to 31 December 2015)*

Rank	Song	Artist
1	Inside Out*	Avalanche City
2	White Lies	Six60
3	Magnets	Disclosure featuring Lorde
4	Purple	Six60
5	Written In The Water	Gin Wigmore



\* Making Tracks-funded

**4. Audience response: Digital Media Fund successes** *(for 6 months to 31 December 2015)*

Project	Description	# Users To Date	View Time Period
Loading Docs 2015	A series of 10 x 3 minute docos	Close to 500,000 views to date	6 month
Coconet.TV	An online hub for Pacific content	150,000-250,000 views per month	month
The Big Sing	Live stream + videos of national finale – secondary school choral competition	190,000 views	12 month
High Road	A comedy webseries	Winner of World Webseries Cup 2015	

5. Audience response - TV reviews

**The DNA Detectives**

Jam TV for TV One

Stuff.co.nz – 15 October 2015

*“... it's so good to have the new local goodie The DNA Detectives appear on the horizon of Wednesday nights, ....The choice of host for the show is inspired as we reacquaint ourselves with The Rocky Horror Picture Show creator Richard O'Brien.....It's a far better gig than Who Do You Think You Are? as we seldom know any of those British and American dudes who get to unearth their pasts, and in DNA Detectives we get to see the percentages.”*



**The Monster of Mangatiti**

Screentime for TV One

Jane Clifton – Stuff.co.nz – 8 September 2015

*“The final of TV One's local TV-movie season was perhaps the most extraordinary of a strong field of true story adaptations. How often would a rape victim go on-screen to narrate her experience?...Not the easiest of stories to watch, this was a valuable illustration of how dangerously controlling personalities construct their worlds...”*

**Lost & Found**

Eyeworks for TV3

Jane Bowron – Stuff.co.nz – 9 May 2014

*“I challenge anyone to watch TV3's new but old show Lost & Found (Thursday, 8.30pm) and not shed a tear.....Lost & Found presents the viewer with three cases, beginning with Lomas interviewing the person wanting to find a family member.....The price of the free research is nationwide exposure, but what was once considered dirty laundry in previous decades is now considered LRT - Life's Rich Tapestry - and so it should be.”*



**How To Murder Your Wife**

Screentime for TV One

Jane Bowron – Suff.co.nz – 21 August 2015

*“There was some superb casting and acting on TV One's Sunday night locally made black comedy How To Murder Your Wife.... One can't praise O'Connor or Brophy enough for their performances...”*

*Winner of multiple international awards including Best TV Movie in the C21 Drama Awards and 3 awards at the NY International Film Festival*

## 6. OUTPUT TARGETS

This section reports on progress against our output targets as set out in the Statement of Performance Expectations for the year ending 30 June 2016.

<b>ACTIVITY 1: SCREEN NATIONAL TELEVISION</b>						
<b>National Television</b>	<b>Prior Year Actual Hours</b>	<b>Full Year Forecast Hours</b>	<b>YTD Actual Hours</b>	<b>Prior Year Actual \$'000</b>	<b>Full Year Forecast \$'000</b>	<b>YTD Actual \$'000</b>
<b>GENERAL FUND</b>						
Drama/Comedy	114	104	86.5	27,894	27,445	22,526
Documentary/Factual	69	63	72.7	8,448	7,400	7,104
Children & Young People	379.6	354.6	362.6	15,063	13,894	13,238
Māori	39	31.5	18.8	4,009	3,600	1,981
Arts/Culture/Identity	52.5	11.5	20.4	2,214	1,084	1,800
Minorities	126	137.5	142.0	6,677	7,823	7,905
Disability (includes Captioning + Audio Description)	19	18	29	4,526	4,754	4,961
Development	-	-	-	315	260	320
<b>Sub-total General Fund</b>	<b>799.1</b>	<b>720.1</b>	<b>732</b>	<b>69,146</b>	<b>66,260</b>	<b>59,835</b>
<b>PLATINUM FUND</b>						
Drama	6	8	6	6,419	8,200	8,049
Documentary	25.5	13.5	3.5	6,449	3,576	1,963
Current Affairs	85	85	95	2,312	2,335	2,146
Arts/Culture/Identity	0	0	0		1,000	0
<b>Sub-total Platinum Fund</b>	<b>116.5</b>	<b>106.5</b>	<b>104.5</b>	<b>15,180</b>	<b>15,111</b>	<b>12,158</b>
<b>Total</b>	<b>915.6</b>	<b>826.6</b>	<b>836.5</b>	<b>84,326</b>	<b>81,371</b>	<b>71,993</b>
Net effect of write backs and accounting adjustments for timing differences	-	-	-	(637)	-	(220)
<b>Total National Television</b>	<b>915.6</b>	<b>826.6</b>	<b>836.5</b>	<b>83,689</b>	<b>81,371</b>	<b>71,773</b>
Performance is on track with further funding rounds scheduled for March and May 2016.						
<b>REGIONAL TELEVISION</b>						
<b>Regional Television</b>	<b>Prior Year Actual Hours</b>	<b>Full Year Forecast Hours</b>	<b>YTD Actual Hours</b>	<b>Prior Year Actual \$'000</b>	<b>Full Year Forecast \$'000</b>	<b>YTD Actual \$'000</b>
Local News and Information	703	710	465	1,143	1,350	719
<b>Total Regional Television</b>	<b>703</b>	<b>710</b>	<b>465</b>	<b>1,143</b>	<b>1,350</b>	<b>719</b>
Figures are for annual funding commitments made for the year to date and are close to the expected full year commitment. The decrease against budget is due to station closures which occurred after the budget was agreed.						

<b>DIGITAL MEDIA</b>			
	<b>Prior Year Actual \$'000</b>	<b>Full Year Forecast \$'000</b>	<b>YTD Actual \$'000</b>
Contestable Digital Media Funding			
Digital Platforms	3,435	3,860	3,480
General			
Net effect of write backs and accounting adjustments for timing differences	29	-	(4)
<b>Total Digital Media</b>	<b>3,464</b>	<b>3,860</b>	<b>3,476</b>

**ACTIVITY 2: SOUND**

Public radio, community radio, commercial and alternative radio, and music performance is on track for the year to date in most areas. Explanations for variances are set out below.

**PUBLIC RADIO**

Radio New Zealand: Quantitative measures will be reported on at year end.

**COMMUNITY RADIO**

Community Radio	Prior Year Actual Hours	Full Year Forecast Hours	YTD Actual Hours	Prior Year Actual \$'000	Full Year Forecast \$'000	YTD Actual \$'000
Access and special interest radio	25,274	24,000	On track			
Pacific radio						
Samoa Capital Radio						
Niu FM and 531pi	19,537	15,500	On track	5,870	6,050	5,891
Hours of Programming in at least 9 pacific languages						
<b>Total Community Radio</b>	<b>44,811</b>	<b>39,500</b>	<b>On track</b>	<b>5,870</b>	<b>6,050</b>	<b>5,891</b>

**COMMERCIAL AND ALTERNATIVE RADIO**

Spoken Content	Prior Year Actual Hours	Full Year Forecast Hours	YTD Actual Hours	Prior Year Actual \$'000	Full Year Forecast \$'000	YTD Actual \$'000
Children and young people	156	212	47	337	305	275
Spiritual	62	60	42	118	140	57
Ethnic/special interest	4	104	32	0	75	147
Māori issues (English language)	96	96	24	75	75	75
Net effect of write backs and accounting adjustments for timing differences	-	-	-	-	-	(10)
<b>Total Spoken content</b>	<b>321</b>	<b>212</b>	<b>145*</b>	<b>539</b>	<b>595</b>	<b>544*</b>

Totals reflect timing issues. Year end totals are expected to be lower for hours and \$, due to non-returning programmes.

**NZ MUSIC**

Music Funding <sup>1</sup>	Prior Year Actual Qty	Full Year Forecast Qty	YTD Actual Qty	Prior Year Actual \$'000	Full Year Forecast \$'000	YTD Actual \$'000
Commercial music funded	133	At least 120	65	2,054	2,000	945
Alternative music funded	106	At least 80	47			
Music promotion	64	61	64	2,773	2,624	1,827
<b>Total Music Funding</b>	<b>303</b>	<b>-</b>	<b>176</b>	<b>4,827</b>	<b>4,624</b>	<b>2,772</b>

Results are on track for the year to date.

<sup>1</sup> Music funded is a video or a recorded song plus a video. We do not separately forecast which type of application will be received.

## 7. Efficiency Indicators

These are set out in our SPE.

Efficiency Goals	Efficiency Measures	2015-2016 Target	YTD Actual
<b>We make the right decisions using good processes</b>	Investment processes are objective, based on current policy, and include a robust assessment of the application	100%	On track
	No investment decision or process has a significant adverse judicial review or Ombudsman finding	0	0
<b>Our funding management processes serve industry clients efficiently and well</b>	% of complete applications received by deadline determined at the next funding round	100%	100%
	% of funding decisions notified to applicants within 5 working days of decision	100%	100%
	% of funding contracts correctly issued within 15 working days once conditions precedent are met	100%	100%
	% of funding payments correctly made within 10 working days of receiving a valid invoice once contract conditions are met	100%	100%
<b>We minimize overheads to maximize funds</b>	Administration costs are a low % of total revenue	Less than 3%	On track

## 8. Financial Statements: See summary pages 10-11

Financial Statement	Summary
<b>Statement of Comprehensive Revenue and Expense</b>	Variances in funding expenditure represent funding held for funding rounds still to take place before 30 June 2016
<b>Statement of Financial Position</b>	Higher level of investments and funding liabilities due to timing of funding draw-downs



## 9. Health and Capability Performance Measures

The table below details progress on the organisation’s capability measures in accordance with the targets set out in the SPE

Goal	Measure	2015-16 Target	YTD Result
Focus recruitment, training and remuneration policies on attracting and retaining skilled, flexible, efficient and knowledgeable team players	Full time staff turnover is low	Less than 3	On track
	Individual staff training needs assessed annually	100%	On track
	External salary comparisons conducted regularly to ensure staff are paid fairly	Some positions assessed	Not commenced
Ensure staff are committed to the agency and its work	The results of biannual staff engagement surveys will be in the top quartile of the cultural sector	Not measured	Achieved (2015 survey)
Ensure our office environment and equipment are safe and well maintained	Reported safety hazards attended to promptly, significant hazards attended to immediately	100%	100%
	Zero tolerance of harassment, bullying and discrimination. Immediate investigation if any instances are reported	0	0
	All employees have an ergonomically suitable workspace	100%	100%
Incorporate equal employment opportunity principles in staff selection and management, to achieve as diverse a workforce as possible within the limits of our small size	EEO principles included in all relevant documents and practices	100%	100%
	A workforce diversity summary is included in the Annual Report	To achieve	Achieved

## 10. SUMMARY OF FINANCIAL POSITION

(excludes statements of movements in equity and cash flows)

Statement of comprehensive revenue and expense to 31 December 2015 (\$'000)		Annual Budget	Year to Date Budget	Year to Date Actual	Variance	
<b>Revenue</b>	Crown Revenue	128,726	64,363	<b>64,363</b>	<b>0</b>	
	Other Revenue	2,750	1,375	1,432	(57)	
	<b>Total Revenue</b>	<b>131,476</b>	<b>65,738</b>	<b>65,795</b>	<b>(57)</b>	
<b>Expenses</b>						
<b>Operating Expenditure</b>	Funding administration		3,528	1,947	1,538	409
	Depreciation and amortisation		120	60	61	(1)
	Development and support funding		400	400	137	263
<b>Funding Expenditure</b> <i>(net of write-backs of commitments not used)</i>	<i>Screen Content</i>	National Television	81,371	81,371	71,773	9,598
		Regional Television	1,350	1,350	719	631
		Digital Media	3,860	3,860	3,476	384
	<i>Sound Content</i>	Public Radio	31,816	31,816	31,816	0
		Special Interest Radio	6,645	6,645	6,435	210
		Music and Other Content	4,624	3,510	2,772	738
<b>Total Expenditure</b>		<b>133,714</b>	<b>130,959</b>	<b>118,727</b>	<b>12,232</b>	
<b>Net (deficit)/surplus for the full year</b>		<b>(2,238)</b>	<b>(65,221)</b>	<b>(52,932)</b>	<b>12,289</b>	

Statement of Financial Position as at 31 December 2015 (\$'000)		Annual Budget	Actual	Variance
<b>Assets</b>				
Cash and cash equivalents		1,860	1,793	67
Investments		37,507	34,704	2,803
Debtors and other receivables	Interest	600	669	331
	Other	400		
<b>Total Current Assets</b>		<b>40,367</b>	<b>37,166</b>	<b>3,201</b>
Property, plant and equipment		380	301	79
<b>Total Non-Current Assets</b>		<b>380</b>	<b>301</b>	<b>79</b>
<b>Total Assets</b>		<b>40,747</b>	<b>37,467</b>	<b>3,280</b>
<b>Liabilities</b>				
Trade and other payables		540	41	499
Employee entitlements		160	118	42
Funding Liabilities		40,000	87,766	(47,766)
<b>Total Liabilities</b>		<b>40,700</b>	<b>87,925</b>	<b>(47,225)</b>
<b>Public Equity</b>				
Public equity committed		-	-	-
Public equity - uncommitted		47	(50,458)	50,505
<b>Total Public equity</b>		<b>47</b>	<b>(50,458)</b>	<b>50,505</b>
<b>Total Liabilities and Public Equity</b>		<b>40,747</b>	<b>37,467</b>	<b>3,280</b>