

NZ On Air
Annual Report
For the year ended 30 June 2009

**Proudly supporting local content for 20 years
1989-2009**



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Part 1:

Our Year

Highlights

Our investments helped create some outstanding success stories this year:

- The Top 10 funded television programmes had some of our highest viewing numbers ever
- New Zealand drama successfully returned to TV One's *Sunday Theatre*, with funded programmes dominating finalists and winners in the drama categories at the 2009 Qantas Film and Television Awards
- *Outrageous Fortune* broke all local drama popularity records - and swept the 2008 Qantas awards
- The new Platinum Fund will create even more options for high quality local television programmes
- Television local content hours in 2008 reach the highest levels ever
- Radio New Zealand National won the Station of the Year 2009 award
- More New Zealand music will be played on Concert FM under a special NZ On Air initiative
- 2009 Qantas Film and Television Award finalists and winners included programmes funded by NZ On Air in a record 24 of the 30 general categories
- The website *NZ On Screen* was launched, showcasing historic New Zealand television and film online and winning a Qantas Media Award in its first year
- Our Ethnic Diversity Forum brought all relevant broadcasters together around a subject of increasing importance
- *Untouchable Girls* broke New Zealand box office records for documentaries
- NZ On Air-backed songs dominated the radio airplay charts
- The song *Brother* from *Smashproof's* NZ On Air-funded debut album set a new record for the longest run at #1 on the national singles sales charts
- The band *Midnight Youth* scooped a major US marketing deal following an NZ On Air-coordinated music showcase in Los Angeles
- Access radio programmes were made available to wide communities of interest, as well as regional communities, through Access Internet Radio
- NZ On Air increased funding support for regional television programmes after widespread consultation



NZ On Air Board, from left:
 Neil Walter, Chair
 Edie Moke, Deputy Chair
 Paul Smith
 Murray Shaw
 Nicole Hoey
 Michael Glading

Who we are

NZ On Air is a government broadcast funding agency. We invest in a wide range of television, radio, music and new media content to extend choices for New Zealand audiences.

Without this investment, the scope of New Zealand content on the airwaves would be much narrower.

NZ On Air is an autonomous Crown entity in terms of the Crown Entities Act 2004. We are governed by a Board of six members who are appointed by the Minister of Broadcasting and who have statutory independence under the Broadcasting Act 1989.

Mission Statement

To be an independent leader in promoting local content and diversity in broadcasting

Kia tū hei ngārahu motuhake, hei whakatairanga i ngā hōtaka nō te paetata, hei whakanui hoki i te kanorau i te ao pāpāho.

Purpose

To determine the best allocation of Government funding for supporting and preserving a diverse range of local content in broadcasting

Hei mātāpuna pūtea Kāwanatanga e taea ai ngā tūmomo hōtaka rerekē nō te paetata te waihanga, te tiaki.

Chair's introduction

This year NZ On Air turned twenty years old. Creating a wide-ranging, independent broadcast funding agency in 1989 was a bold move, unparalleled elsewhere in the world.

That move has played a crucial part in the subsequent development and growth of New Zealand's independent production and music industries.

Since 1989, local content on television has increased more than five times - from just over 2,000 hours in the year prior to our creation to 11,600 hours today. The 'cultural cringe' has vanished. New Zealand music on the radio was less than 2% then; now it proudly hovers around 20%. Access radio stations have increased tenfold and Māori broadcasting has been embraced by both Māori and Pākehā. Radio New Zealand has continued to provide some of the best radio public broadcasting in the world.

Also since then, of course, the internet and other technological advances have transformed the daily life of many of us.

Our report this year tracks 20 years of special highlights for us - funded programmes and initiatives which we supported in order to create positive change.

Back in 1989 we defined our main goal as 'to ensure that mainstream audiences have access to a variety of quality programmes made for New Zealanders, by New Zealanders and about New Zealanders'.

The goal remains valid today. Across two decades we have consistently sought and backed quality, quantity and diversity of local content. We have achieved this in a risky creative environment, helped by a solid contestable investment framework and the support of many stakeholders. Thank you to our partner broadcasters and content creators, and to all the New Zealanders who watch, listen and enjoy seeing and hearing New Zealand on air.

While our objectives have remained constant, the last two decades have generated many diverse challenges.

Just as we began cracking the quantity problem, the digital era introduced an almost unlimited number of channels.

Just when we were getting greater diversity and innovation, increasing audience demand meant we needed to do even better.

Fortunately, however, just as we were beginning to worry that quality might be compromised by rising costs and funding constraints, the Platinum Fund was created.

The challenge for the next decade is to keep a space for diverse, well-made local content in a complex and fast-changing environment awash in foreign programming. It's a challenge we embrace.



A handwritten signature in black ink, which appears to read "Neil Walter". The signature is fluid and cursive.

Neil Walter

Chair

Key achievements

Television funding: **\$90.94 million**

In the twenty years since our establishment the television environment has changed almost beyond recognition. Yet there are constants:

- the love of audiences for great content
- the power of television storytelling
- the special affection for (and hearty criticism of) things local in a global world
- the inherent difficulty for a small country of ensuring its screens have sufficient local content to reflect New Zealand to New Zealanders

Looking back at our first annual report for 1989-1990, our main focus was to improve the quantity and diversity of New Zealand programmes on three free to air channels - TV One, TV2 and the fledgling TV3. Fast forward twenty years, and the transformed television landscape is crowded and alive with digital and online services providing alternatives to a multiplicity of standard - and newly high definition - free to air and pay channels.

But our aims remain the same, no matter how complicated the environment. Across two decades we have consistently sought - and backed - quality, quantity and diversity of local television.

In our first annual report the list of funded programmes included two series - *Praise Be* and *Tagata Pasifika* - which we still support today. In a world that constantly seeks the new, it is a great testament to the programme makers and contributors to these series that their audiences are still engaged and informed.

Waka Huia and *Te Karere* were also in our first annual report and are still on screen, now funded by Te Māngai Pāho. Māori broadcast funding was separated from NZ On Air in 1993 and we continue to value a strong working relationship with Te Māngai Pāho.

In 1989 two significant names feature from New Zealand's screen community - Gaylene Preston and Billy T James. Award-winning filmmaker Gaylene Preston was one of the first recipients of NZ On Air funding for her acclaimed miniseries *Bread And Roses*. This year we are pleased to support her latest documentary *Home By Christmas*. The *Billy T James Show* was one of the first comedy series supported by NZ On Air, and his name still appears in programme ideas today. Likewise we supported four Topp Twins hit programmes in the 1990s and were delighted to help fund smash hit *Untouchable Girls* some 15 years later.

While commercial ratings are not our prime driver it is always good to assess viewer numbers. This year there has been a significant increase in the ratings performance of funded programmes in the Top 10. See Figure 1. It is particularly gratifying that the list includes such a diverse range of programmes, from the perennial documentary favourite *Country Calendar* to new factual series such as *What's Really In Our Food?*, from hit drama series *Outrageous Fortune* to a record three single dramas from *Sunday Theatre*. A comedy nicely rounds out the mix.



Home By Christmas

Renowned producer/director Gaylene Preston was one of the first recipients of NZ On Air funding back in 1989 for her acclaimed mini-series *Bread And Roses*. Her latest project *Home By Christmas* tells the moving story of her father Ed's wartime exploits as well as the impact of his absence on her mother Tui, who was left at home as a young bride and mother to be. *Home By Christmas* stars Tony Barry, Martin Henderson and Chelsie Preston Crayford.

Eric The Goldfish

When NZ On Air collected the Public Broadcasting Fee, we used a cheeky little fish called Eric to help.



Figure 1: Top 10 NZ On Air funded programmes all people 5+ July 2008 to June 2009 (source: AGB Nielsen)

Rank	Programme Title	Channel	Episodes	Average Rating	Audience (000s)
1	<i>National Bank Country Calendar</i>	TV One	30	14.2	563.4
2	<i>Off The Radar</i>	TV One	13	12.3	484.3
3	<i>Home Grown</i>	TV One	7	11.4	448.2
4	<i>Outrageous Fortune</i>	TV3	21	11.0	433.7
5	<i>Sunday Theatre: Piece Of My Heart</i>	TV One	1	10.8	428.6
6	<i>How The Other Half Lives</i>	TV One	8	10.2	404.3
7	<i>Cadbury Crunchie Comedy Gala</i>	TV2	1	9.9	393.1
8	<i>What's Really In Our Food?</i>	TV3	9	9.6	378.7
9	<i>Sunday Theatre: Show Of Hands</i>	TV One	1	9.3	369.1
10	<i>Sunday Theatre: Until Proven Innocent</i>	TV One	1	9.0	357.2

Priority programme types

The television genres to which we must pay special attention are set out in the Broadcasting Act and summarised in Figure 2. This attention makes it possible for important local programmes to get to air: most are too expensive or too risky for broadcasters to screen without help.

Figure 2: Hours of funded television by genre

	2009	2008	2007	2006	2005	2004	2003	2002	2001
Drama/Comedy	102	92	103	89	103	115	108	109	112
Documentary/Information	99	123	104	131	107	158	109	116	139
Children/Young People	445	401	490	497	395	382	436	372	325
Special Interest/Other	181	188	212	253	419	445	298	282	312
Total Hours	827	804	909	970	1,024	1,100	951	879	888

Drama and comedy

Drama and comedy are crucial for NZ On Air because the broadcast market cannot launch and nurture these programmes without significant support. They are expensive to produce, despite New Zealand's low-cost production environment, and are high risk to a broadcaster compared to cheaply-acquired foreign content already proven in its country of origin. And, as in every country, achieving success for new programmes with audiences is hard work.

Recently, careful development has seen some highly significant milestones for local drama including the return to prime time of successful hour-long series. The success of the groundbreaking *Outrageous Fortune*, now in an unprecedented fifth season on TV3 with a sixth planned for 2010, has proven that popular and creative local series can hit the mark with audiences. The success of TV2's *Go Girls* saw a fresh, younger-targeted series secure an 8.30pm prime time slot, until recently thought too difficult for local drama. Stylish thriller *The Cult*, also on TV2, launched to rave reviews and solid audience ratings.

The first local dramas, for some considerable time, screened on TV One's *Sunday Theatre* this year and were widely acclaimed. *Until Proven Innocent*, *Piece Of My Heart* and *Life's A Riot* were joined by two features from the Signature Film initiative, *Apron Strings* and *Show Of Hands*. These projects dominated the drama categories of the 2009 Qantas Film and Television Awards finalists and won in several categories.

Further one-off dramas in production, none of which could be made without our assistance, include a dramatisation of Witi Ihimaera's award-winning novel *Nights In The Garden Of Spain* and a remarkable wartime hoax based on a true story *Spies And Lies*.

Children's drama has also been well supported by NZ On Air over our two decades. This year saw the production of *Kaitangata Twitch*, co-funded by Te Māngai Pāho, a prime time story for the whole family to be screened on Māori Television in 2010. Based on a story by Margaret Mahy and adapted for television by some of New Zealand's best television writers - Gavin Strawhan, Briar Grace-Smith and Michael Bennett - *Kaitangata Twitch* promises to be compelling family entertainment.

Go Girls

Devised by two of New Zealand's top television writers, Gavin Strawhan and Rachel Lang, the first series of *Go Girls* was the most successful launch of an 8.30pm drama series for many years. The series was a hit with its 18-39 target audience, averaging a 11.2 rating (33.5 share). The series performed even more strongly in female demographics.

A second series, where Cody, Kevin, Britta and Amy embark on another epic quest, will screen in 2010.



Documentary

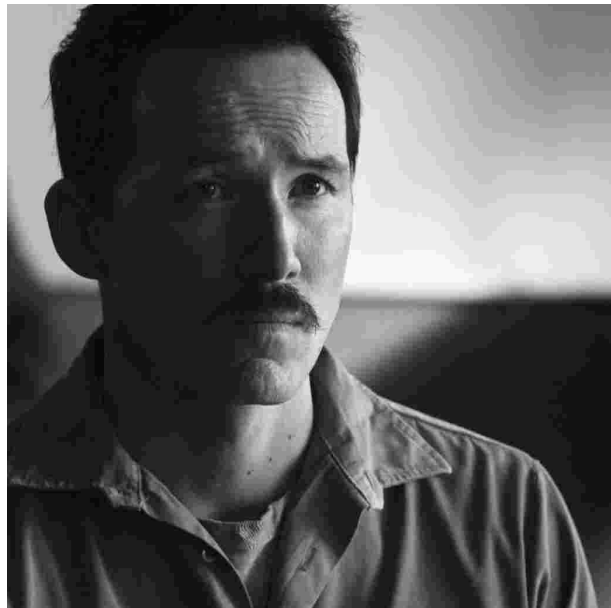
Documentary programmes have always needed to be carefully nurtured. Through targeted investment NZ On Air has helped create a growing television appetite for local stories. Tastes have changed over the decades, and the genre has splintered into different styles, but the audience's love of a good story remains. So too does NZ On Air's mission to provide as varied a diet as possible, focusing on the type of documentary that could not be made without our investment.

Award-winning documentary maker Annie Goldson's moving new project *Brother Number One*, on the Khmer Rouge trials and the New Zealand connection, will be a broadcast highlight in 2010. It will be joined by some marvellously varied titles through our partnership with TV One under the *Artsville* strand, including documentaries on composer John Psathas, novelist Ngaio Marsh, musician Bill Sevisi, architect Sir Miles Warren and photographer Brian Brake.

Several short run series for TV One were also supported this year, including two particularly insightful series *The Investigator* and *Beyond The Darklands*. Programmes like these join the venerable *Country Calendar*, which has been a flagship of our documentary family for many years, and the new *South* which immediately won over audiences.

Factual series are also popular. We focus on those seeking to provide useful information about an aspect of life in New Zealand. Included this year were *What's Really In Our Food? Missing Pieces*, *Aunty Moves In*, *Money Man* and *High Country Rescue*. A new series on TV One in 2009, *The Politically Incorrect Parenting Show*, created a real buzz with its pragmatic yet entertaining advice.

As NZ On Air turns 20, television in New Zealand is also preparing to mark its own birthday. *50 Years Of Television In New Zealand* for Prime will trace New Zealand stories since the birth of television in New Zealand in 1960. Other series such as *Caravan Of Life*, *Extraordinary Kiwis* and *Rocked The Nation* add to the rich range of stories supported in the last year across several channels.



Until Proven Innocent

Launching the 2009 TV One *Sunday Theatre* season this year, *Until Proven Innocent* set the bar high. A 2009 Qantas Film and Television Awards finalist in 10 categories and winning five, including Best Drama, *Until Proven Innocent* tells the story of David Dougherty, wrongfully found guilty and imprisoned in 1992.

Until Proven Innocent successfully screened twice in the *Sunday Theatre* slot this year, scoring even higher ratings for its encore screening. It was one of several Sunday evening dramas funded by NZ On Air to screen, marking a welcome return for local content to this prestigious slot.

Jaquie Brown Diaries

After a great first season, culminating in winning Best Comedy at the 2009 Qantas Film and Television Awards, a second series of *Jaquie Brown Diaries* is currently in production, promised by the programme makers to be even 'bigger, faster, stronger and funnier'.

In addition to the weirdness of Jaquie's media world, we were pleased to support a new series from the creators of *bro' Town*. *In The Beginning There Was Nothing*, for TV3, is sketch comedy employing the diverse talents of, among others, the Naked Samoans, Taika Cohen and Jemaine Clement.

We'll add to the chuckles with a couple of new funded series for TV2, including stand-up comedy series *A Night At The Classic* and even more Samoan comedians – *The Laughing Samoans*.



Children's programmes

There is no doubt that without public funding, local content for children would disappear from our screens. Young New Zealanders are early technology adopters, adept at seeking out content from multiple sources - most of which reflects cultures and people from places other than New Zealand. While this provides an important perspective, it is vital that content reflecting New Zealand experience forms part of the mix.

We aim to provide for three key audiences: preschool, primary and early teens. Funded programmes screening mornings, after school or in the weekends, provide a clear Kiwi presence in a schedule otherwise dominated by cheaply-acquired foreign cartoons. New Zealand children's programme producers are highly skilled in communicating with their audiences in a way that entertains and informs busy children yet reflects New Zealand values and experiences.

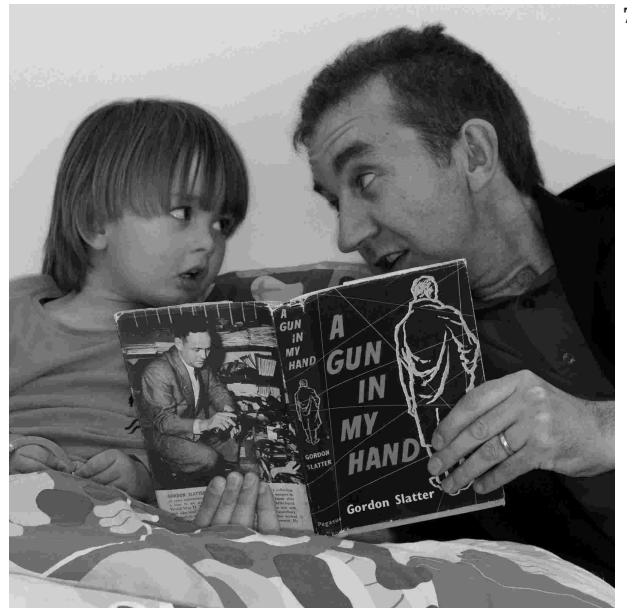
What Now? is a schedule stalwart that we have supported with pride since our early years, a series remarkable in its longevity. This year also saw the successful launch of a new weekday afternoon series for TV2 *The Erin Simpson Show*, a fast paced, sophisticated series aimed at 10-14 year olds. Popular favourites such *Sticky TV*, *Studio 2* and *Let's Get Inventin'* were also supported, all with an effective online presence.

Mobile and internet platforms provide new opportunities and challenges to reach this audience, both to support and build awareness of broadcast programmes and to create dedicated new spaces for children to play and learn in an environment that encourages New Zealand values.

Special interest programmes

Programmes directed to specially-targeted audiences increase the onscreen diversity of our free to air channels. They not only allow different communities to see themselves on screen but also provide a wider audience with stories from parts of New Zealand society not encountered every day.

We support many special interest programmes including *Attitude* for people with disabilities, *Asia Down Under*, *Tagata Pasifika*, *Style Pasifika*, *Praise Be*, *My God* and of course the highly-valued captioning service that provides subtitles for TVNZ and TV3 programmes for the hearing impaired.



The Politically Incorrect Parenting Show

Clinical psychologist Nigel Latta, also known to viewers as the host of the successful *Beyond The Darklands* series, brought his extensive experience of working with children and families to a new series offering parents practical tips on child raising. By de-mystifying the role of parenting and providing good-humoured support, *The Politically Incorrect Parenting Show* attracted large and appreciative audiences, averaging a 5+ rating of 16.6 (37 share), and in TV One's target demographic 25-54 averaging 16.1 (33.6).



Minority Voice

New Zealand's demographic makeup is changing rapidly. To recognise this we hosted an Ethnic Diversity Forum in June 2009 to enable different broadcasters to explore ways to better reflect these trends on our airwaves in future. An initial step in this direction was our support for a new series *Minority Voice*, which tells personal stories from several new immigrant communities within New Zealand.

Contestable funding

Diversity of storytelling and perspective is helped by supporting many different programme makers and channels – diversity is a key beneficiary of contestable funding. Figure 3 below shows an historical comparison.

Figure 3. TV contestable funding percentages by producer and broadcaster

By Broadcaster	2009	2008	2007	2006	2005	2004	2003
	%	%	%	%	%	%	%
TVNZ (Note 1)	58	65	60	65	74	75	80
TV3	30	28	33	30	26	25	20
C4	2	1	-	-	-	-	-
Prime	2	1	2	3	-	-	-
Māori TV (Note 2)	7	4	4	1	-	-	-
Regional channels	1	1	1	1	-	-	-
	100%	100%	100%	100%	100%	100%	100%
By Producer							
TVNZ	13.8	10.8	12.7	15	9	11	15
TV3	0.1	0.2	0.2	0.2	-	1	-
Prime	-	-	-	-	-	-	-
Māori TV	0.3	-	0.1	-	-	-	-
Independents	85.8	89	87	84.8	91	88	85
	100%	100%	100%	100%	100%	100%	100%

Note 1: Not including TVNZ direct funding. Note 2: One family drama series supported.

TVNZ Direct funding (\$15.11m)

This year was a transition year for the public funding previously provided to TVNZ to help give effect to its Charter. In other years this funding was paid directly to TVNZ; this year it was paid through NZ On Air. NZ On Air had no role in programme selection for this transitional year while new arrangements were developed. The list of programmes, totalling 476 hours, which TVNZ chose to support with this funding, is included in Appendix 1.

From 1 July 2009 this funding is being allocated on a contestable basis to special programmes supported by any of the six main free to air channels. We have called it the Platinum Television Fund.

The Platinum Television Fund

The Platinum Television Fund was created to give effect to the Government's wish to provide for quality free to air television programming appealing to a variety of discerning audiences. The Government has set aside \$15.1 million for the Fund for the year beginning 1 July 2009, to be allocated on a contestable basis.

The Fund will support innovative content which may be currently difficult to find on our screens or which normally requires a high level of subsidy to get made. The programmes will be aspirational, intended to inform, educate and entertain in a way that appeals to a good cross-section of New Zealanders. Prime time scheduling is preferred.

Each year, NZ On Air will evaluate local content currently available across free to air channels, whether or not supported by public funding, and consider which types of programme may need particular support from the Fund.

Types of programmes sought

For the first year of the Fund, beginning July 2009, NZ On Air is giving priority to:

- high-end one-off drama programmes or drama mini-series
- long-form, appealing documentaries on New Zealand subjects of cultural, historical or artistic importance
- research-driven short documentary series on issues or topics important to New Zealanders
- current affairs programmes (long-form interview or investigative formats preferred)
- special event programming designed to celebrate or commemorate days or events important to New Zealanders

Not all programme types may be supported. Platinum Fund decisions will be reported next year.

Regional television (\$0.90m)

Part of reflecting New Zealand identity and culture includes providing a range of programming for particular interests. We recognise this can occur locally as well as at a national level and have provided operational funding to some regional channels since 2005. In that year the Government made specific funding available: \$890,000 yearly for four years. However with increasing numbers of eligible regional television channels with widely varying structures and objectives, it became clear that our existing funding structures needed to be reworked.

In the year under review we undertook a comprehensive overhaul of our regional broadcasting funding arrangements. We sought the views of the sector in April 2008, then published a detailed discussion paper in October that year (available on our website). The results of the review were: new programme-based television funding criteria from 1 July 2009; a 68% increase of funds to this sector (funded from internal reallocation); and an internal staffing change to enable us to devote a specialist resource to improve our understanding of issues facing this sector.

Our current priority is for regional news and information television programming, a type least likely to be found on the national networks and therefore potentially of most value to a community. The funding allocated this year was the last allocated under the old system of percentage-based channel support. Next year we will report on the new programming supported by an increased budget of \$1.5 million.

Key achievements

Māori broadcasting **\$9.95 million**

Māori broadcasting provides unique perspectives and stories on the airwaves. There are several funding entities involved in this space, partly due to statutory requirements but mostly because local programmes need to include Māori perspectives to genuinely reflect New Zealand.



Kaitangata Twitch

This family drama series written by internationally acclaimed New Zealand author Margaret Mahy tells the story of Kaitangata Island. It has witnessed terrible events and, consequently, awful dreams shake the surrounding countryside. Last awake 50 years ago, Kaitangata is twitching again. George Henare and Te Waimarie Kessell star in this beautifully filmed 13 x 1/2 hour drama series which will screen in primetime on Māori Television in 2010.

NZ On Air focuses its Māori broadcasting priorities on English language programmes, made for a general audience. Our work in promoting the Māori language focuses on encouraging the use of the language in mainstream programmes.

Our sister agency Te Māngai Pāho is responsible for funding programmes for predominantly Māori and Māori-speaking audiences. Te Māngai Pāho was established in 1993 with funding diverted from NZ On Air so that special attention could be paid to the Māori language.

NZ On Air's Rautaki Māori sets out our strategy and can be viewed on our website. We define a Māori programme as one that makes a conscious effort to reveal something of the past, present or future Māori world. To ensure an authentic Māori perspective in a Rautaki programme, at least two of the three key roles of producer, director and writer/researcher must be Māori.

We were pleased to continue support for *I Am TV* this year, the lively rangatahi series on TV2. The fruits of our investment last year in *Pakipumeka Aotearoa*, the prime time documentary strand on Māori Television, also became apparent with well-received programmes on subjects as diverse as Sir Paul Reeves, Rei Hamon and the Ruatoria police raids. Further funding for this strand was set aside in August 2009.

New investments this year included the prime time *Nights In The Garden Of Spain* for TV One's *Sunday Theatre*. Some important films have also been supported, in partnership with the NZ Film Commission: *The Strength Of Water* (which successfully debuted at the 2009 International Film Festival), *Matariki* and *The Tracker* (both in production).

In radio, we continued support for *Te Puutake* broadcast on iwi and access stations nationwide as well as the Kiwi FM network, *Paakiwaha*, also broadcast on iwi and access stations nationwide.

In our New Zealand music work, we ensure that Māori artists are well represented in funding decisions for Phase Four Albums, New Recording Artists and Music Videos, and Kiwi Hit Discs. We also deliver Māori language and kaupapa music to every radio station in the country via the Iwi Hit Disc. We released four new discs this year featuring artists as diverse as Moana & The Tribe, The House Of Shem, Tama Waipara and Maisey Rika. The Iwi Hit Disc collection is now up to a massive 29 volumes.

A list of funded Māori programmes is included in the appendices.

Key achievements

Radio funding: **\$35.33 million**

The radio environment has changed dramatically since 1989. When NZ On Air began, Radio New Zealand ran both public and commercial stations, private radio was largely regional, and there was only a handful of under-resourced Māori and access radio stations.

Two decades later Radio New Zealand (RNZ) is the main non-commercial broadcaster in the country. Commercial radio is dominated by two major companies with a host of stations (making it one of the most crowded radio markets in the world); there are 22 Māori radio stations; 11 access stations; 5 student stations; and still more community, regional and specialist low power FM stations. There are also dedicated Pacific Island radio services and a 100% New Zealand music radio network.

Radio New Zealand (\$31.72m)

We are the conduit for funding RNZ National and RNZ Concert, ensuring New Zealand's main non-commercial public broadcaster has the necessary, arms-length independence while remaining accountable for the public funding it receives.

We congratulate RNZ on delivering another year of world class non-commercial public service broadcasting and for its success at the 2009 New Zealand Radio Awards where RNZ National was named Station of the Year. The broadcaster also received the award for Best Radio Website and several news awards, including Best Coverage of a News Story, Best Newsreader and Journalist of the Year. In total, RNZ staff won 13 awards for excellence.

Figure 4 shows very good listenership levels in a highly fragmented radio market. As with television, radio audiences are including time-shifted listening in increasing numbers.

Figure 4: Radio New Zealand results from audience surveying

(Source: RNZ)



More New Zealand Music – on RNZ Concert

New Zealand music content on Radio New Zealand Concert is 16% but locally-composed works make up only 4.3% of airtime. It's not because Concert doesn't want to play recordings of more New Zealand compositions. The problem is that in some cases the original broadcast rights to a treasure trove of recordings have expired and they cannot be played again, and in other cases it's because the quality of the original recording is not up to scratch.

This year, we moved to solve the problem. In partnership with Sounz (the Centre for New Zealand Music) and RNZ Concert, we have embarked on a programme to help Concert increase that 4.3%. The first phase is to clear the rights to extant quality recordings of local works; later we will work with other partners to re-record significant works that deserve to be heard again.

	2008-2009	2007-2008	2006-2007
Total weekly live audience for RNZ National	473,000 about 14% of 15+ population	501,000 about 17.5% of 15+ audience	487,000 about 16.7% of 15+ audience
Total weekly live audience for RNZ Concert	138,000 about 4% of 15+ population	201,000 about 7% of 15+ audience	207,000 about 7.1% of 15+ audience
Annual online requests for time-shifted RNZ National and RNZ Concert content	Approx 6,000,000 Calendar year 2008	Approx 4,300,000	Approx 2,500,000



Upload – a radio show for the under 30s

The Base Two company has clocked up production of seven seasons of the successful youth radio programme *Upload*. *Upload* provides a vibrant audio mix of information, opinion, news, interviews, music, reviews and more every week with hosts Simon Smith and Janina Nicoll.

"*Upload* is a magazine-style radio show for on-to-it young New Zealanders aged 15-30 who want to be in the know," says executive producer Matthew Savage from Base Two.

"We really enjoy putting the show together, and we're really conscious of reflecting a positive outlook for young people, while letting them know what's going on in other parts of the country."

Upload plays across the nation on the George FM network and over 20 local radio stations from Dargaville to Wanaka. This year the Kiwi FM network of stations in Auckland, Wellington and Christchurch also added *Upload* to their weekly programme schedule.

Community Access and Pacific Island radio (\$2.56m)

Access radio stations enable groups to produce and broadcast programmes to their own communities. We included access radio in our community broadcasting review and were able to increase operational funding to access radio stations from 1 July 2009 as a result.

For funding purposes, we have now grouped access stations into four tiers to reflect their potential audience numbers, differing scales of operation and potential to deliver a range of programming. The funding tiers are:

Tier 1 (Large Metro):
Auckland

Tier 2 (Large Urban):
Wellington, Hamilton, Christchurch

Tier 3 (Provincial City):
Palmerston North, Hawke's Bay, Nelson, Dunedin, Invercargill

Tier 4 (Small Regional):
Kapiti, Wairarapa

Funding was also allocated to NZ Radio for the Print Disabled, and two Pacific Island community stations, Samoa Capital Radio and Radio 531pi.

We also continued support for the Access Internet Radio (AIR) project, which has experienced phenomenal growth. AIR enables live streaming and podcasting of programmes to give specific community groups easier access to programmes of interest. Demand for programmes is now exceeding 10,000 hits per month. Visit www.accessradio.org or each station's own website to check out Access Internet Radio.

Commercial radio programmes (\$1.06m)

In 1993 we began funding spoken programmes for commercial radio, following the success of our funding of New Zealand music programmes. In a highly fragmented marketplace we know there are significant numbers of listeners whose first choice is not public radio.

The first spoken-word programmes we funded for commercial radio were *The New Zealand Chronicles* – an historical series of memorable kiwi moments which played on Radio Pacific, *The Quest* - which was part of Kidstime on Newstalk ZB, and the youth radio show *Rampage* - which debuted on over 20 commercial radio stations around the country. Other radio programmes which have been supported over the years include the wildly popular *Starship Cortina*, *The Caffeine Comedy Hour*, *News In Briefs*, *Steveman*, *Buckeroo*, *Daisy The Crazy Cow*, *Claybourne*, *Keep Up With The Jones*, *The Voice* and more.

To provide more local content for these audiences, we continue to provide modest funding to producers to make radio programmes for a variety of radio outlets. Our priority is radio shows for multiple channels that target children and youth, comedy and drama, and programmes reflecting ethnic diversity and a range of spiritual beliefs. Local programmes like these do not exist without public funding support.

For children and youth, the successful run of commercial radio shows such as *Upload*, *That's The Story* and *Te Puutake* continued, joined this year by Suzy Cato's brainchild *The Great Big Kids' Show* playing on Auckland's Big FM and a number of regional stations around the country.

We also supported over forty hours of commercial radio comedy and drama programming including *Pop! Goes The Weasel* and *JC Year In Review* which play on Radio Live. A new 25-episode comedy project, *PR Rescue*, was also funded for the Solid Gold network.

Spiritual programmes supported include *Scrubcutter*, *Real Life* and the *Christmas Day Special*, all played on Newstalk ZB.

New Zealand music programmes for radio are covered in the NZ Music section later in this report.



Plains FM's *The Pod* continues to take the experience of broadcasting out to the people of Canterbury.

Key achievements

Digital funding: **\$2.2 million**

The arrival of the internet is probably the most transformational technological development in recent decades.

Many of our audiences now have no knowledge of life before it, and audience behaviour, wants and needs are increasingly shaped by content on non-broadcast platforms.

We gained new funding flexibility with the change to the Broadcasting Act in 2007 that allowed us to consider investing in content for other platforms. To date we have been cautious, concerned to protect public funding against overly-risky investment and to ensure that we remained clearly focused on the type of local content that is our core business.

But we are proud of two important initiatives in the digital space, one a platform and the other for content.



NZ On Screen (www.nzonscreen.com) (\$1.2m)

NZ On Screen was developed to address the issue of most local content only being seen once or twice, remaining relatively inaccessible to the general public thereafter. Launched in October 2008, the website streams several thousand hours of local content, and provides a lively, informed context to New Zealand screen culture and the screen business. Free to view are hundreds of titles, people profiles, music videos and ScreenTalk interviews, with more being added weekly. Around 60% of the titles are full length.

Since launch, NZ On Screen has had over 215,000 visits and close to one million page views. Visits to the site are increasing steadily. On average up to 1,000 unique visitors come to the site every day.

The site has received widespread praise from users and is heavily referenced by other websites and blogs around the world. It won the Best Entertainment Website in the Qantas Media Awards, in which it was also a finalist for Best Website Design. In addition, it was a nominee in the e-Culture and Heritage category of the World Summit Awards.

Figure 5:

Top 10 titles viewed on NZ On Screen - to August 2009

Britten - Backyard Visionary (1993)

Peter Snell - Athlete (1964)

Billy T Live (1990)

Gloss (1987)

The Living Room- series one (2003)

Trio At The Top (2001)

Good Taste Made Bad Taste (1988)

Spot On - episode 1 (1973)

Patu! (1983)

Spot On - other episodes (1973)

NZ On Screen is working hard on efficient sector-wide collaboration. This year it joined a group comprising representatives from Te Papa, NZ Live, Archives NZ, the National Library and the Electronic Text Centre to discuss improving linkages and information sharing between the organisations.

Digital Content Partnership Fund (\$1m)

This is a contestable fund for the creation of new content. In this, its second year, we widened the criteria which resulted in forty-nine diverse applications.

The successful applications were:

Rattle Ya Dags - 365 motivational clips for hard times, from over 70 well known New Zealanders, accessed via the most popular social networking sites (YouTube, Vimeo, Facebook, Bebo etc) and, potentially, mobile phones and television.

Reservoir Hill - interactive drama for a target audience of 12-16 year olds. The series revolves around Beth's transition from her old life in a small community to a larger school in a city. This project will deliver short drama, video diaries, and blogs with the audience interacting with Beth's story via texting and online.

My Calendar Project - a multi-platform comedy following the fortunes of an unemployed man who lives alone, save for a pet hedgehog. His life's work is the creation and maintenance of his website, through which we experience a somewhat altered reality.

the-hub.tv - the interactive website associated with TV2's weekday show *Studio 2*. Funding enabled the site to remain up-to-date for the full year of *Studio 2*'s 2009 run.

A more diverse range of applications this year helped us refine our priorities for the digital space. We need to balance innovation with risk and target our funding to make a difference, neither replicating what is already being done nor diverging too far from our core business.

The next invitation for programme proposals is likely to be issued in late 2009.

Key achievements

NZ Music funding: **\$5.99 million**

Twenty years ago, there wasn't much New Zealand music on the radio.

Public radio and student radio did a good job in supporting local music but commercial radio was a New Zealand music desert.

An independent survey in the early 1990s put New Zealand music content on commercial radio at less than 2%. Those were dark days.

Today, New Zealand music is consistently up around the 20% mark. In the year ended 30 June 2009 it was 20.08% and in the first two quarters of the 2009 calendar year it increased to 21%.

The New Zealand music revolution on the airwaves is the result of many factors, one of which is NZ On Air's intervention. We designed funding schemes and promotional strategies to ensure that New Zealand music is well represented on the commercial radio airwaves.

In 1991 NZ On Air started funding music videos and dedicated New Zealand music shows on commercial radio stations, like the pioneering *Counting The Beat* on Auckland's 91FM.

In 1993 we launched the Kiwi Hit Disc, New Zealand music compilation discs that are distributed to every radio station in the country from schoolyard stations such as Red Hot at Rangiora High School to the giant national networks like the ZMs and More FM. The Kiwi Hit Disc collection is now 117 volumes deep and is probably the most comprehensive archive of contemporary New Zealand music ever assembled.

In 1997 we contracted our first radio pluggers, New Zealand music promo people whose job it is to get the songs off the hit discs and on to radio playlists.

In 2000 we launched the Phase Four New Zealand music plan. This included priorities for more music television to increase the profile of New Zealand music as well as funding for albums by artists with proven radio airplay credentials and funding for radio singles by new artists with airplay potential in order to grow a new generation of radio hit makers. All this work is carefully targeted to feed the local content campaign.

And in 2005 we joined with the NZ Music Commission in a campaign to take New Zealand music to the world via our Phase Five programme, designed to help New Zealand artists take advantage of market opportunities overseas. Ultimately this will



From Bedroom To Billboard

It's a term we coined in 2000 to explain the core of NZ On Air's Phase Four New Zealand music plan. In countless bedrooms around the country, kids make music and dream of being in a band and of making it into the pages of *Billboard* magazine in America. Metaphorically. Phase Four, and now Phase Five, is about making that dream come true via airplay success. This year, we watched a band do just that.

Midnight Youth came out of Rangitoto College via the annual high school Rockquest in 2006. In December that year, the band got an NZ On Air New Recording Artist grant for a song called *A New Day*. In June 2007 we funded a second song called *The Letter*.

Midnight Youth made a small dent on the airplay charts with *A New Day* and a song called *Home* but it was enough to secure them NZ On Air Phase Four Album funding in August 2008.

The first two singles from *The Brave Don't Run* album were smash radio hits - *The Letter* and *All On Our Own* were both #1 airplay songs, repaying our faith in the band and helping us top 20% New Zealand music on the radio this year.

But that's not all. In March 2009, NZ On Air mounted a New Zealand music showcase at the legendary Viper Room in Los Angeles as part of our Phase Five programme. Midnight Youth played and out of that \$11,135 showcase came a \$900,000 a year two-year US marketing deal with Myspace Records.

And to cap it off, while the band was in America, they filmed an interview for *Billboard* for a two-page feature in the magazine and online broadcast. From bedroom to *Billboard* indeed.

build a more robust production sector back in New Zealand that will, in turn, further feed the local content campaign.

Many of these funding schemes and promotional strategies continue today. This year we funded 170 music videos, 33 Phase Four albums and 21 radio singles by new artists. We made another 11 Kiwi Hit Discs and had New Zealand music features playing on all the major radio networks, as well as on the b.net student radio stations and Kiwi FM which offer an outlet for New Zealand music outside the commercial mainstream.

The results are clear. Almost all of the most-played New Zealand songs on New Zealand radio this year were our Phase Four-funded songs.

Figure 6: Top 10 most-played NZ songs on NZ radio

[01 July 2008 – 30 June 2009] Source: RadioScope

Rank	Song	Artist	Kiwi Hit Disc
1	Always On My Mind †	Tiki Taane	Kiwi Hit Disc 103
2	The Letter ‡	Midnight Youth	Kiwi Hit Disc 110
3	Everything †	P-Money featuring Vince Harder	Kiwi Hit Disc 108
4	Never Too Late †	Nathan King	Kiwi Hit Disc 107
5	Closer To Home †	Autozamm	Kiwi Hit Disc 107
6	Big Energy Little Spaces †	Opshop	Kiwi Hit Disc 104
7	Brother †	Smashproof featuring Gin Wigmore	Kiwi Hit Disc 112
8	All On Our Own †	Midnight Youth	Kiwi Hit Disc 114
9	Always Be Here ‡	Dane Rumble	Kiwi Hit Disc 112
10	Hey Boys & Girls	Evermore	Kiwi Hit Disc 112

† Phase Four Album funded
 ‡ Phase Four New Recording Artist funded



Tiki Taane

Always On My Mind from Tiki Taane's NZ On Air-funded debut solo album was the biggest New Zealand song on New Zealand radio this year, earning him the NZ On Air Airplay Record Of The Year Tui at the 2009 NZ Music Awards.

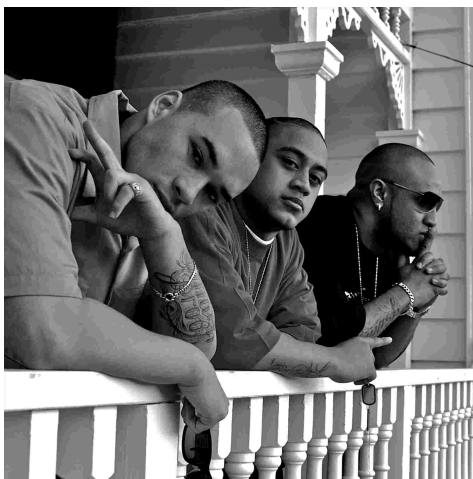
Music videos continue to provide important exposure for New Zealand music that helps us get more songs played on the radio and helps to break new artists on radio. Local music content on C4, Juice and MTV was comfortably in excess of 20% through the year but on top of that, there is YouTube.

Twenty years ago there was no YouTube but today it is an unparalleled force in global music. We ensure NZ On Air music videos are all over it. This year's funded music videos played over two million times on YouTube alone, the top ten grossing over 1.4m views between them.

Figure 7: Most-played 2008-2009 NZ On Air videos on YouTube

[01 July 2008 – 30 June 2009] Source: YouTube

Rank	Song	Artist	Views
1	Everything	P-Money featuring Vince Harder	305,367
2	Mr Mista	Nesian Mystik	219,806
3	Blow Your Mind	J Williams	170,884
4	Them Eyes	Mareko featuring J Williams	150,190
5	Too Shy	Devol	130,310
6	Ghetto Flower	J Williams	105,158
7	My House	Kids Of 88	90,809
8	Brother	Smashproof featuring Gin Wigmore	86,871
9	Always Be Here	Dane Rumble	76,418
10	Indulge Me	David Dallas	68,096
Total			1,403,909



Smashproof

The Smashproof song, *Brother*, featuring Gin Wigmore, from the group's NZ On Air-funded debut album, was not only one of the biggest airplay songs of the year but set a new record for the longest consecutive run for a Kiwi song at #1 on the Top 40 singles chart.

The next frontier for New Zealand music is international success. We contribute to this through our Phase Five programme. Phase Five is all about visibility, about getting New Zealand music noticed overseas. We aim to get New Zealand music into the hands of the international music media - radio, music television, trade publications, online. With the Music Commission, we do New Zealand music showcases for trade "tastemakers" at international trade shows and festivals like South By South West (SXSW) in Austin, Texas, The Great Escape in Brighton, England, and the CMJ (college radio) Music Marathon in New York.

A full list of funded New Zealand music projects is included in the appendices.

Key achievements

Archiving funding: **\$1.34 million**

We fund the New Zealand Film Archive (NZFA) to provide television programme archiving services and Sound Archives Ngā Taonga Kōrero (SA/NTK) to provide radio programme archiving services.

A history of our archiving funding allocations is now available on our website.

Television Archiving (0.74m)

Along with the normal television archiving grant, we provided the NZFA with extra funds to continue digitising the NZ On Air-funded National Television Collection. This ensures that valuable titles archived over the years of the collection can be preserved and made easily accessible.

NZ On Air initiated a multi-agency review of the NZFA this year as there are issues facing the screen archiving sector which no single funder can deal with alone. The main government funders of the NZFA (the NZ Film Commission, Te Māngai Pāho, the Ministry for Culture and Heritage and NZ On Air) have decided to work together to consider options.

The primary purpose of the review is to evaluate whether:

- Day to day archiving service delivery (collection, preservation and access) is of high quality, appropriately balanced and based on best-practice principles
- There is any unnecessary duplication of funding or services, or significant gaps

The review will also consider wider issues such as whether:

- The NZFA's stated mission and strategic plan is in accordance with funders' expectations
- Screen funding agencies are getting value for money
- Purchasing arrangements are appropriate
- The level of resourcing for NZFA is appropriate
- The Archive is able to deal effectively with the problems and opportunities created by changes in technology
- There are any problems in the environment that make it difficult for the Archive to achieve desired results
- The current funding structures are the most efficient and effective to achieve the best outcomes for the public good

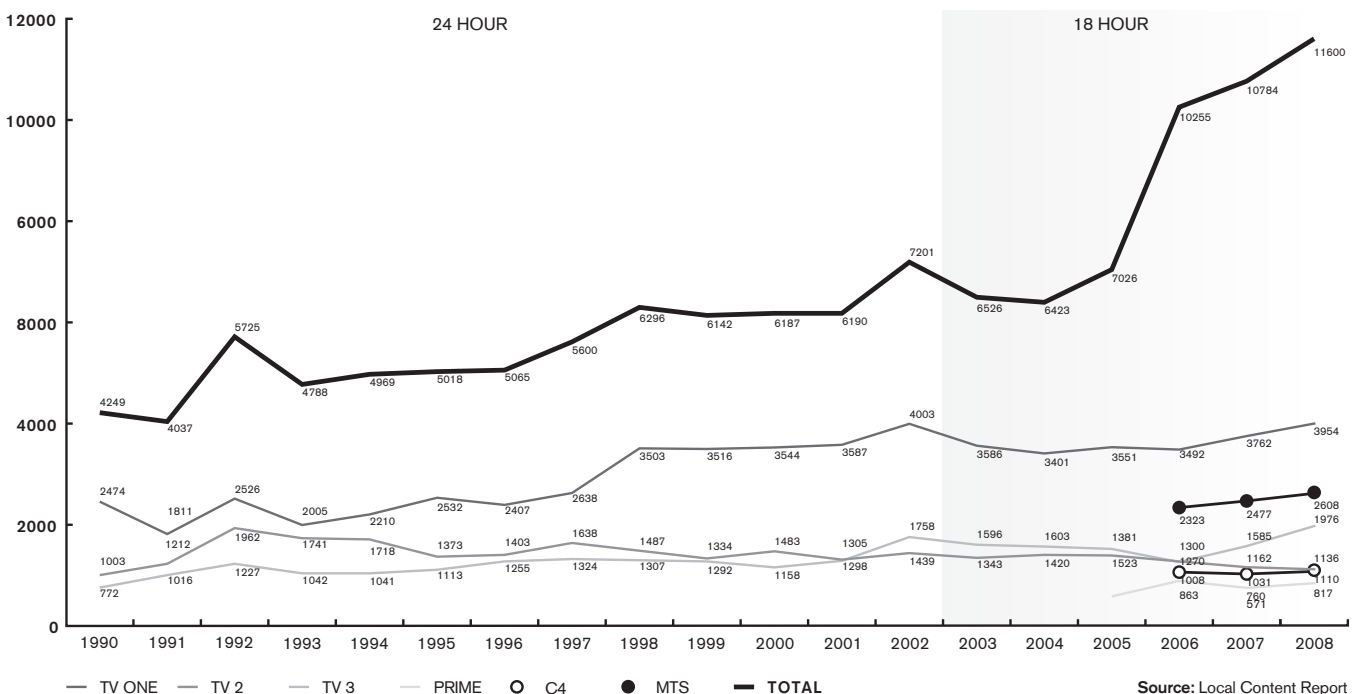
The review is being led by Dr Roger Horrocks, assisted by Canberra-based Meg Labrum, Chief Curator of the National Film and Sound Archive of Australia as a technical specialist. She is the Secretary General of the International Federation of Film Archives, and in that role she has carried out a review of the British National Film and Television Archive at the BFI.

Radio Archiving (\$0.60m)

Alongside its annual operating grant, we also allocated additional funding to SA/NTK to assist with the introduction of a new Catalogue Management System (CMS). The new CMS is a vital part of the Archive's planning and will enable greatly enhanced search and access to the precious radio history housed at the Archive.

We intend to examine funding policy around radio archiving in 2010 as it, too, is coming under increased technological and financial pressure.

Figure 8: Hours of telecast New Zealand programmes 1990-2008



Source: Local Content Report

Research

In 1989 we realised there was no consistently collated public data that measured local content levels. This is vital information so we can assess where gaps have emerged over time. We devised an annual report which continues today as the only one of its type in the world.

Ever since then we have written the annual Local Content Report to measure how much locally made programming screens on free to air television. It continues to provide invaluable, independent content measurement over time. Figure 8 shows the total hours of local content broadcast by each channel since 1990. The arrival of new channels has demonstrably helped increase the opportunities for New Zealand stories to air.

Our annual Public Perception Research, looking at the general public's views on local content and the role we play in its delivery again showed New Zealanders' belief in the importance of seeing and hearing their stories and songs on the airwaves. Five hundred New Zealanders were surveyed for the quantitative survey this year; eight focus groups discussed the topics in detail for the qualitative survey.

70% of New Zealanders believe it is important to have New Zealand programmes on television. 63% of New Zealanders believe it is important to have New Zealand made music on the radio. Respondents' comments included:

That's how we form our culture and identity, basically by sharing it

Television... celebrates who we are as a nation

I like to know what's going on in my back yard

If there was no television local content?

We would lose part of our culture and run the risk of becoming homogenised into American and British identities

A lack of identity and uniqueness. We would lose the ability to compel, humour and entertain and if you can't do that to yourself you have lost a huge tool of self-affirmation and public pleasure

We would sink out of the world's limelight – New Zealand who?

Figure 10: Three-year industry comparison

Source: Norris & Pauling, p.7

International 2004-2005	International 2007-2008
Limited video use on internet	Video downloads commonplace
Limited video on demand available	Proliferation of sites
DVRs in 5% of US homes	DVRs in 37% of US homes
Social networking sites did not exist	Commonplace – MySpace, Facebook, Bebo
User generated content rare	Commonplace – YouTube gets 13 video hrs per minute
HDTV in 10m households worldwide	HDTV in 47m households worldwide (4%)
IPTV 'a technology in waiting'	IPTV has 20m subscribers worldwide
Mobile - early 3G	Service expansion for mobile devices
New Zealand 2004-2005	New Zealand 2007-2008
No transition plan to digital TV	Transition underway
No digital free to air TV	Freeview on satellite and terrestrial
No HDTV	HDTV on Sky and Freeview
No video ondemand services	VOD on TVNZ, TV3, NZ On Screen, other media sites
DVRs – MySky launched December 2005	MySky HDi launched 2008
Broadband penetration 3.6%	Broadband penetration 20.4%
Online ad spend not measured	Online ad spend 5.8% of total ad revenue

Notes

1. The Digital Future and Public Broadcasting. Norris, Paul and Pauling, Brian. NZ On Air/CPIT 2008. p7.

2. Glossary: DVR = digital video recorder. HDTV = high definition television. IPTV = internet protocol television. VOD = video on demand.

Figure 9: New Zealand audience feedback on local content

- 93% have both watched and enjoyed at least one NZ On Air funded television programme
- 84% think it is important that NZ On Air funds locally-produced documentaries
- 72% think it is important NZ On Air funds locally-produced children's television programmes
- 55% think a Māori perspective on mainstream television programmes is important
- 50%+ when they discovered the levels of local content in other countries, over half believed the local content levels in New Zealand should increase
- 59% think radio stations should be encouraged to play more New Zealand music

We also provide information to the public about developments in New Zealand and internationally. This influences development of our funding policies and also helps others thinking about our sector.

In late 2008 we published the latest in our regular comprehensive sector overviews, commissioned from commentators Paul Norris and Brian Pauling. The report, The Digital Future and Public Broadcasting, highlighted that change in the audiovisual sector, both internationally and in New Zealand, continues at a rapid pace. Twenty years ago few people would have been able to interpret Figure 10 at all.

Choice of foreign content today is wider than it has ever been. The numbers of television and radio channels remain high, and accessing audiovisual web content is increasingly simple.

In the midst of this explosion of content, what cannot be provided to audiences in any meaningful way, without dedicated advocacy and funding, is local content featuring New Zealand perspectives and New Zealand creativity.

Consultation

We consult regularly with a range of external stakeholders, from informal meetings, formal briefings and invitations to Board meetings, to organised events.

We consulted access radio and regional television operators through our funding review completed in 2009.

In June 2009 we held an ethnic diversity broadcasters' forum in Auckland. The theme was New Zealand in 2020 – how will the demography of New Zealand have changed and how can this change be served and represented in the broadcasting media. More than 110 commercial and non-commercial, public and private, radio and television broadcasters and programme makers, all catering for different and diverse groups of New Zealanders, shared ideas and information.

Feedback from participants was very positive. A report from this forum is on our website, along with some revealing demographic data. Simply considering the changes to New Zealand's population by ethnicity and age-group provokes thought about the make-up of future New Zealand audiences. We invited Professor Richard Bedford from Waikato University to share his knowledge on population trends. He noted that trends are likely to neatly invert in just 80 years, from a young country to an aging one.

In 1966 60.7% of the population was under 35 years and 39.3% was older. In 2046 not quite 40% are forecast to be under 35 years and 60% will be older.

By ethnicity the changes are also marked. Professor Bedford used the 2006 Census base data to forecast changes in 2021, see Figures 11.1 and 11.2.

Operations

Governance

Chair Neil Walter and members Edie Moke (Deputy Chair), Paul Smith, Nicole Hoey and Michael Glading continued their terms.

Rhonda Kite resigned from the Board in June 2008 due to work commitments. Her last meeting was in August and Murray Shaw was appointed to replace her from August 2008.

Neil Walter, Nicole Hoey and independent Committee Chair Chris Prowse comprised the Audit and Risk Committee.

Edie Moke led the Board's Māori Strategy Committee and Paul Smith the Special Interest Committee.

Members were also individually appointed by the Board to various funding Working Groups.

The Minister of Broadcasting may not direct us on cultural or programme matters but may issue directives through Parliament on more general matters. No directives were issued this year.

Figure 11.1: Forecast NZ population change by ethnicity and age:

Aged under 35 in 2021 Source: Professor R. Bedford, University of Waikato

	Number aged under 35 years in 2021 (000s)	% of total population	Change 2021 vs. 2006
Māori	499	23.2	+19.4
Pacific	296	13.8	+41.0
Asian	352	16.4	+43.7
Euro/Other	1428	66.4	-1.5

Figure 11.2: Forecast NZ population change by ethnicity and age:

Aged over 35 in 2021 Source: Professor R. Bedford, University of Waikato

	Number aged over 35 years in 2021 (000s)	% of total population	Change 2021 vs. 2006
Māori	206	10.1	+28.2
Pacific	91	5.3	+52.7
Asian	161	13.0	+111.8
Euro/Other	1763	75.3	+11.9

Our special interest committee will continue evaluating how to mesh this kind of data with programming trends to ensure our funding remains carefully and appropriately audience focused.

Management

We are a small organisation: thirteen full time equivalent staff in Wellington and three music contractors in Auckland. We focus on minimising administration expenditure so that high levels of funding are available to achieve our broadcast funding objectives.

Several new activities were undertaken by staff alongside ordinary duties and within existing resources. We

- assumed responsibility for administration of TVNZ Direct Funding
- developed and published criteria for the new Platinum Television Fund
- completed and implemented a comprehensive review of regional broadcasting
- completed and implemented an organisational capability review which included combining disparate activities into a Community Broadcasting work stream
- implemented a substantial new finance and contracts management information system
- commenced a review of international NZ Music funding
- commenced a review of the NZ Film Archive
- redesigned and simplified our website, the first such review for five years, including providing a searchable funding database for the first time

Good employer policies

The Crown Entities Act requires us to report on these policies. No issues of concern have occurred during the year. We also require funding recipients to follow EEO principles in accordance with the Broadcasting Act.

Figure 12: Good employer policies

HRC Good Employer Element	NZ On Air Policy	Issues during year	Action taken
Leadership, accountability and culture	Staff involved in decision making relevant to their area. Staff encouraged to devise and manage own solutions	None	Regular feedback to staff, monthly management meetings and weekly staff meetings
Recruitment, selection and induction	All permanent senior staff vacancies advertised. Positions are mainly specialised: focus is on best range of skills for each job	Reasonable gender balance No Māori or disabled people on staff	One senior position created and widely advertised
Employee development, promotion and exit	Annual appraisal and exit interviews	Few opportunities for promotion given size of agency	New performance assessment system implemented
Flexibility and work design	Flexible work practices encouraged – focus on outputs not process	Internal administrative support may be under pressure Constrained by obsolete technology	Capability review outcome implemented. Tasks review next year New finance and contracts management system implemented
Remuneration, recognition and conditions	Equitable gender-neutral remuneration	None	None
Harassment and bullying prevention	Zero tolerance policy	None	None
Safe and healthy environment	Proactive health and safety approach	None	Policies reviewed annually

Organisational health and capability

Our organisational health measures and results follow.

Figure 13: Organisational health and capability outcomes

Organisational Health and Capability outcomes	Measure	Result
Recruitment, training and remuneration policies focus on attracting and retaining skilled, flexible, efficient and knowledgeable team players	Full time turnover no more than three people per annum	Achieved
	Individual staff needs assessed annually	Achieved
	External salary comparisons conducted regularly	Achieved. Last undertaken June /July 2008. No requirement for June 2009
Our office environment and equipment are safe and well maintained	Modest maintenance programme carried out	Achieved
	Zero tolerance of harassment, bullying and discrimination	Achieved
	Each new employee has an ergonomically suitable workspace	Achieved
	EEO principles included in all relevant documents and practices	Achieved
Equal employment opportunity principles are incorporated in staff selection and management to achieve as diverse a workforce as possible within our small size		

Main performance measures

Our performance against the key measures in our 2008-2011 SOI follow.

Type	Measure	Standard	Result
Financial	Funding expended on planned activities	Funding is applied to activities as forecast in each year's Statement of Intent	Achieved. Reprioritisation approved by the Board during the year as required.
Financial	Appropriate uncommitted equity at year end	Uncommitted public equity at each year end is less than 3% of total annual funding	Achieved. 1.4%
Financial	Low percentage of funding spent on administration	Administration expenditure is less than 4% of total funding	Achieved. 2.3%
Non Financial	Total number of broadcast hours for each activity funded as planned	The total number of hours of each activity funded is as forecast in each year's Statement of Intent (applicable to Television Funding and Radio Funding activities)	Achieved
Non Financial	Percentage of funded projects not broadcast within 15 months of formal delivery	0% (applicable to Television Funding, Radio Funding and NZ Music activities)	Achieved
Non Financial	Independent research provides useful public feedback (audience)	More than two thirds of respondents agree that NZ On Air supports programmes and activities important to New Zealanders (applicable to Television Funding and Radio Funding)	Refer individual measures below
	The percentage of respondents (using an independent research report) that agree that NZ On Air supports television programmes important to New Zealanders	More than 2/3rds	Achieved in part 93% both watch and enjoy at least one TV programme funded by NZ On Air 53% agree NZ On Air supports television programmes important to New Zealanders. Many respondents did not differentiate between NZ On Air funded television programmes and all New Zealand made television programmes in answering this question. We will review the methodology for the 2009-2010 research
	The percentage of regular access radio listeners (from an independent research report) that agree access radio delivers programmes and activities that are important to them	More than 2/3rds	Achieved. 85%
Non Financial	Independent research provides useful public feedback (industry)	More than two thirds of respondents agree that NZ On Air balances competing demands well and makes the right choices (applicable to the Television Funding activity)	Achieved In an independent research report of NZ On Air's stakeholders, when asked "how well do you think NZ On Air fulfils its role": 88.5% (23 respondents) gave a positive response 7.7% (2 respondents) a neutral response and 3.8% (1 respondent) a negative response

Part 2:

Accountability statements

Statement of responsibility

In terms of the Crown Entities Act 2004, the Board is responsible for the preparation of NZ On Air's financial statements and statements of service performance, and for the judgements made in them.

The Board of NZ On Air has the responsibility for establishing, and has established, a system of internal controls designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the Board's opinion, these financial statements and statements of service performance fairly reflect the financial position and operations of NZ On Air for the year ended 30 June 2009.

Signed on behalf of the Board:



Neil Walter
Chair

29 October 2009



Edie Moke
Deputy Chair

29 October 2009

Audit report

AUDIT NEW ZEALAND

Mana Arotake Aotearoa

To the readers of NZ On Air's financial statements and statement of service performance for the year ended 30 June 2009

The Auditor-General is the auditor of NZ On Air. The Auditor-General has appointed me, Robert Manktelow, using the staff and resources of Audit New Zealand, to carry out the audit. The audit covers the financial statements and statement of service performance included in the annual report of NZ On Air for the year ended 30 June 2009.

Unqualified Opinion

In our opinion:

The financial statements of NZ On Air on pages 23 to 41:

- comply with generally accepted accounting practice in New Zealand; and
- fairly reflect:
 - NZ On Air's financial position as at 30 June 2009; and
 - the results of its operations and cash flows for the year ended on that date.

The statement of service performance of NZ On Air on pages 42 to 50:

- complies with generally accepted accounting practice in New Zealand; and
- fairly reflects for each class of outputs:
 - its standards of delivery performance achieved, as compared with the forecast standards outlined in the statement of forecast service performance adopted at the start of the financial year; and
 - its actual revenue earned and output expenses incurred, as compared with the forecast revenues and output expenses outlined in the statement of forecast service performance adopted at the start of the financial year.

The audit was completed on 29 October 2009, and is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Board and the Auditor, and explain our independence.

Basis of Opinion

We carried out the audit in accordance with the Auditor-General's Auditing Standards, which incorporate the New Zealand Auditing Standards.

We planned and performed the audit to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the financial statements and statement of service performance did not have material misstatements, whether caused by fraud or error.

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements and statement of service performance. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

The audit involved performing procedures to test the information presented in the financial statements and statement of service performance. We assessed the results of those procedures in forming our opinion.

Audit procedures generally include:

- determining whether significant financial and management controls are working and can be relied on to produce complete and accurate data;
- verifying samples of transactions and account balances;
- performing analyses to identify anomalies in the reported data;
- reviewing significant estimates and judgements made by the Board;
- confirming year-end balances;
- determining whether accounting policies are appropriate and consistently applied; and
- determining whether all financial statement and statement of service performance disclosures are adequate.

We did not examine every transaction, nor do we guarantee complete accuracy of the financial statements and statement of service performance.

We evaluated the overall adequacy of the presentation of information in the financial statements and statement of service performance. We obtained all the information and explanations we required to support our opinion above.

Responsibilities of the Board and the Auditor

The Board is responsible for preparing the financial statements and statement of service performance in accordance with generally accepted accounting practice in New Zealand. The financial statements must fairly reflect the financial position of the NZ On Air as at 30 June 2009 and the results of its operations and cash flows for the year ended on that date. The statement of service performance must fairly reflect, for each class of outputs, NZ On Air's standards of delivery performance achieved and revenue earned and expenses incurred, as compared with the forecast standards, revenue and expenses adopted at the start of the financial year. The Board's responsibilities arise from the Crown Entities Act 2004 and the Broadcasting Act 1989.

We are responsible for expressing an independent opinion on the financial statements and statement of service performance and reporting that opinion to you. This responsibility arises from section 15 of the Public Audit Act 2001 and the Crown Entities Act 2004.

Independence

When carrying out the audit we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the Institute of Chartered Accountants of New Zealand.

Other than the audit, we have no relationship with or interests in NZ On Air.



Robert Manktelow

Audit New Zealand

On behalf of the Auditor-General, Wellington, New Zealand

Matters Relating to the Electronic Presentation of the Audited Financial Statements and Statement of Service Performance

This audit report relates to the financial statements and statement of service performance of NZ On Air for the year ended 30 June 2009 included on the NZ On Air's website. The NZ On Air's Board is responsible for the maintenance and integrity of the NZ On Air's website. We have not been engaged to report on the integrity of the NZ On Air's website. We accept no responsibility for any changes that may have occurred to the financial statements and statement of service performance since they were initially presented on the website.

The audit report refers only to the financial statements and statement of performance named above. It does not provide an opinion on any other information which may have been hyperlinked to or from the financial statements and statement of service performance. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited financial statements and statement of service performance as well as the related audit report dated 29 October 2009 to confirm the information included in the audited financial statements and statement of service performance presented on this website.

Legislation in New Zealand governing the preparation and dissemination of financial information may differ from legislation in other jurisdictions.

Statement of financial performance

for the year ended 30 June 2009

	Note	Actual 2009 \$000	Budget 2009 \$000	Actual 2008 \$000
Income				
Crown revenue	2	127,568	127,557	109,813
Other revenue	3	4,195	4,500	6,342
Total Income		131,763	132,057	116,155
Operating Expenditure				
Administration incl. stakeholder services	4	3,119	3,277	2,883
Recovery of previously expensed debts	5	(7)	-	(30)
Total Operating Expenditure		3,112	3,277	2,853
Funding Expenditure				
Television	6	89,877	85,770	68,714
Radio	7	35,287	35,766	32,267
New Zealand music	8	5,351	5,420	5,311
Digital/Archiving	9	3,540	3,500	3,537
Total Funding Expenditure		134,055	130,456	109,829
Total Expenditure		137,167	133,733	112,682
Net (Deficit)/Surplus for the Year	28	(5,404)	(1,676)	3,473

The accompanying notes form part of these financial statements

Statement of financial position

as at 30 June 2009

	Note	Actual 2009 \$000	Budget 2009 \$000	Actual 2008 \$000
Current Assets				
Cash and cash equivalents	10	5,520	20,742	12,225
Investments	11	45,100	40,000	47,700
Accounts receivable - interest		606	1,000	1,102
Accounts receivable - other	12	525	500	103
Total Current Assets		51,751	62,242	61,130
Non-Current Assets				
Property, plant and equipment	13	173	314	176
Intangible assets	14	115	-	-
Total Non-Current Assets		288	314	176
Total Assets		52,039	62,556	61,306
Current Liabilities				
Creditors and other payables	15	419	500	248
Employee entitlements	16	84	100	79
Funding liabilities	17	39,337	51,038	43,376
Total Current Liabilities		39,840	51,638	43,703
Equity at 30 June – committed		10,265	10,488	14,112
Equity at 30 June – uncommitted		1,934	430	3,491
Equity		12,199	10,918	17,603
Total Liabilities and Equity		52,039	62,556	61,306

The accompanying notes form part of these financial statements

Statement of changes in equity

for the year ended 30 June 2009

	Actual 2009 \$000	Budget 2009 \$000	Actual 2008 \$000
Balance at 1 July			
Equity at 1 July - committed	14,112	10,488	10,488
Equity at 1 July - uncommitted	3,491	2,106	3,642
Total Public Equity at 1 July	17,603	12,594	14,130
Net (Deficit)/Surplus for the Year			
	(5,404)	(1,676)	3,473
Total Equity at 30 June	12,199	10,918	17,603
<i>Being</i>			
Equity at 30 June – committed	10,265	10,488	14,112
Equity at 30 June – uncommitted	1,934	430	3,491

Total equity is made up of two elements, committed and uncommitted:

- Committed equity means the Board has approved commitments of this amount in the current or prior financial years but we are not able to record the commitments as expenditure in financial statements because the commitments are subject to substantive conditions yet to be met by the funding recipients (Note 17 details the conditions we use to determine when a commitment can be recorded as expenditure)
- Uncommitted equity is the amount remaining to fund future projects

At 30 June 2009, our total equity is \$12.199m. Of this, \$10.265m has been committed by the Board to approved projects and \$1.934m is uncommitted. In our 2009/10 Statement of Intent we are forecasting a net deficit for the year funded from uncommitted equity at 30 June 2009. Committed equity (\$10.265m) is recorded as a contingent liability.

The accompanying notes form part of these financial statements

Statement of cash flows

for the year ended 30 June 2009

Note	Actual 2009 \$000	Budget 2009 \$000	Actual 2008 \$000
Cash Flows from Operating Activities			
Receipts from Crown revenue	127,568	127,557	109,813
Receipts from other revenue	888	-	1,163
Payments to funded activities	(138,392)	(128,730)	(113,844)
Payments to suppliers and employees	(2,901)	(3,277)	(2,866)
Net GST	(104)	-	(179)
Net Cash from Operating Activities	(12,941)	(4,450)	(5,913)
Cash Flows from Investing Activities			
Interest received	3,826	4,500	5,236
Net (payments to)/receipts from investments	2,600	-	800
Purchases of property, plant and equipment	(190)	(50)	(140)
Cash Flows from Investing Activities	6,236	4,450	5,896
Net Increase/(Decrease) in Cash and Cash Equivalents	(6,705)	0	(17)
Cash and Cash Equivalents at 1 July	12,225	20,742	12,242
Cash and Cash Equivalents at 30 June	5,520	20,742	12,225

The GST (net) component of operating activities reflects the net GST paid and received with the Inland Revenue Department. The net payments to/receipts from investments reflects the net amount paid and received for term deposits. These items are presented on a net basis because gross amounts do not provide meaningful information for financial statement purposes.

The accompanying notes form part of these financial statements

Notes to the financial statements

1. Statement of accounting policies for the year ended 30 June 2009

Reporting entity

The Broadcasting Commission (NZ On Air) was established by the Broadcasting Act 1989, and is an Autonomous Crown Entity in terms of the Crown Entities Act 2004.

Our functions and responsibilities are set out in the Broadcasting Act 1989. Our primary objective is to provide services to the public rather than make a financial return. Accordingly, we are a public benefit entity for the purposes of New Zealand equivalents to International Financial Reporting Standards (NZ IFRS).

These financial statements are for the year ended 30 June 2009 and were approved by the Board on 7 October 2009.

Basis of preparation

Statement of compliance

These financial statements have been prepared in accordance with the Crown Entities Act 2004, which includes the requirement to comply with generally accepted accounting practice (NZ GAAP).

These financial statements comply with NZ IFRS, as appropriate for public benefit entities.

Measurement base

These financial statements have been prepared on an historical cost basis.

Functional and presentation currency

These financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$000). Our functional currency is New Zealand dollars.

Changes in accounting policies

Our accounting policies have been applied consistently to all periods presented in these financial statements.

Standards, amendments and interpretations issued that are not yet effective and have not been early adopted

NZ IAS 1 (Presentation of Financial Statements (revised 2007)) replaces NZ IAS 1 Presentation of Financial Statements (issued 2004) and is effective for reporting periods beginning on or after 1 January 2009. We intend to adopt this standard for the year ending 30 June 2010. The 2009/10 statement of forecast comprehensive income in our Statement of Intent 2009-2012 shows the format we intend to use. The impact of the revised NZ IAS 1 is very minor for us.

Significant accounting policies

Revenue

Revenue is measured at the fair value of consideration received or receivable.

Revenue from the Crown

We are primarily funded through revenue received from the Crown, restricted in its use for the purpose of meeting our objectives as specified in the Broadcasting Act and our Statement of Intent.

Revenue from the Crown is recognised as revenue when earned and is reported in the financial period to which it relates.

Interest

Interest income is recognised when it has been earned. Included in interest revenue therefore is interest revenue (using actual interest rates) that has been earned at 30 June but not yet received.

Programme and music revenue

Our share of net revenue from sales of programmes and music we have funded is recognised when it is earned to the extent that information is available to us at that time.

Leases

Operating leases

Leases that do not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Lease payments under an operating lease are recognised as an expense on a straight line basis over the term of the lease in the statement of financial performance.

Cash and cash equivalents

Cash includes cash on hand and funds on deposit with banks with original maturities of three months or less.

Debtors and other receivables

Debtors and other receivables are measured at fair value less any provision for impairment.

Impairment of a receivable is established when there is objective evidence that we will not be able to collect amounts due according to the original terms of the receivable. Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, and default in payment are all considered indicators that the debtor is impaired. Any impairment losses are recognised in the statement of financial performance.

Investments

Bank deposits

Investments in bank deposits are measured at fair value plus transaction costs.

For bank deposits, impairment is established when there is objective evidence that we will not be able to collect amounts due according to the original terms of the deposit. Significant financial difficulties of the bank, probability that the bank will enter into bankruptcy, and default in payment are all considered indicators that the deposit is impaired.

Property, plant and equipment

Property, plant and equipment assets classes consist of computer equipment, office equipment, furniture and fittings, and leasehold improvements. Property, plant and equipment are shown at cost, less accumulated depreciation and any impairment losses.

Additions

The cost of an item of property, plant and equipment is recognised as an asset only when it is probable that future economic benefits or service potential associated with the item will flow to us and the cost of the item can be measured reliably.

Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value when control of the asset is obtained.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the statement of financial performance.

Subsequent costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to us and the cost of the item can be measured reliably.

The costs of day-to-day servicing of property, plant and equipment are recognised in the statement of financial performance as they are incurred.

Depreciation

Depreciation is provided on a straight line basis on all property plant and equipment at rates that will write off the cost of the assets over their useful lives. The useful lives and associated depreciation rates have been estimated as follows:

Computer equipment	3 years	33.3%
Office equipment	5 years	20.0%
Furniture and fittings	6 years	16.7%
Leasehold improvements	6 years	16.7%

Leasehold improvements are depreciated over the unexpired period of the lease or the estimated remaining useful lives of the improvements, whichever is the shorter.

Intangible assets

Software acquisition and development

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

Costs that are directly associated with the development of software are recognised as an intangible asset. Direct costs include the software development, employee costs and an appropriate portion of relevant overheads.

Staff training costs are recognised as an expense when incurred.

Costs associated with maintaining computer software are recognised as an expense when incurred.

Costs associated with the development and maintenance of our website are recognised as an expense when incurred.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life. Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised. The amortisation charge for each period is recognised in statement of financial performance.

The useful lives and associated amortisation rates of intangible assets have been estimated as follows:

Acquired and developed computer software	5 years	20%
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Impairment of non-financial assets

Property, plant and equipment and intangible assets that have a finite life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. The total impairment loss is recognised in the statement of financial performance, any subsequent reversal of an impairment loss is recognised in the statement of financial performance.

Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of an asset are not primarily dependent on the asset's ability to generate net cash inflows and where we would, if deprived of the asset, replace its remaining future economic benefits or service potential.

Creditors and other payables

Creditors and other payables are measured at fair value.

Employee benefits

Employee entitlements that we expect to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date, and sick leave.

We recognise a liability for sick leave to the extent that absences in the coming year are expected to be greater than the sick leave entitlements earned in the coming year. The amount is calculated based on the unused sick leave entitlement that can be carried forward at balance date, to the extent that we anticipate it will be used by staff to cover those future absences.

We recognise a liability and an expense for bonuses where we are contractually obliged to pay them, or where there is a past practice that has created a constructive obligation.

Superannuation schemes

Obligations for contributions to Kiwisaver and State Sector Retirement Savings Scheme are accounted for as defined contribution superannuation schemes and are recognised as an expense in the statement of financial performance as incurred.

Provisions

We recognise a liability for funding expenditure when the following conditions have been met:

- (a) The expenditure has been approved by the Board
- (b) The funding recipient has been advised
- (c) There are no substantive contractual conditions for the funding recipient to fulfil
- (d) It is probable (more likely than not) that the funded proposal will be completed and that our commitment will crystallise.

At 30 June therefore, funding liabilities in the balance sheet include both contracted liabilities and liabilities that are uncontracted, but have no substantive contractual conditions unfulfilled. The amount recorded for the uncontracted liabilities is the amount approved by the Board.

Goods and services tax (GST)

All items in the financial statements are presented exclusive of GST, except for receivables and payables in the statement of financial position, which are presented on a GST inclusive basis.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department is included as part of receivables or payables, as appropriate.

Commitments and contingencies are disclosed exclusive of GST.

Income tax

We are exempt from the payment of income tax (s51 Broadcasting Act 1989) therefore no charge for income tax has been provided for.

Budget figures

The budget figures are derived from the Statement of Intent as approved by the Board at the beginning of the financial year. The budget figures have been prepared in accordance with NZ IFRS, using accounting policies that are consistent with those we have adopted for the preparation of the financial statements.

Critical accounting estimates and assumptions

In preparing these financial statements we have made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Critical judgements in applying our accounting policies

We have exercised the following critical judgements in applying our accounting policies for the period ended 30 June 2009:

Funding expenditure

Within our provisions accounting policy the following two conditions of the four that must be met for us to recognise funding expenditure as an expense and liability require us to make critical judgements:

- (a) There are no substantive contractual conditions for the funding recipient to fulfil.

The main substantive contractual condition that means a funding commitment made by the Board cannot be recorded as expenditure and as a liability is where Board approval is subject to confirmation of third party funding, and that funding is not in place at balance date.

At 30 June the value of commitments where the funding recipients have substantive contractual conditions to complete is \$10.265m. This amount is recorded as a contingent liability.

- (b) It is probable (more likely than not) that the funded proposal will be completed and that our commitment will crystallise.

Although from time to time an approved commitment with no substantive contractual conditions to fulfil does not go ahead, such projects are a very small proportion of the total approved. Based on experience we adjudge that it is probable all approved commitments at 30 June without substantive contractual conditions to fulfil will be completed.

2. Revenue from Crown

We have been provided with funding from the Crown for the specific purposes set out in the Broadcasting Act 1989 and the scope of the relevant Crown appropriations. Apart from these restrictions, there are no unfulfilled conditions or contingencies attached to government funding (2008: nil).

3. Other revenue

	Actual 2009 \$000	Actual 2008 \$000
Net revenue from sales of television programmes and music	864	1,124
Interest	3,330	5,217
Other	1	1
Total other revenue	4,195	6,342

4. Administration expenditure

	Actual 2009 \$000	Actual 2008 \$000
Personnel	1,417	1,272
Legal, public relations and expert advice	591	635
Other costs	581	467
Travel and communication	124	150
Board members fees	135	133
Rent	139	100
<i>Depreciation</i>		
- Furniture and fittings	4	5
- Leasehold improvements	7	9
- Computer equipment	30	26
- Office equipment	9	5
<i>Amortisation</i>		
- Computer Software	27	-
<i>Audit fees</i>		
- Financial statement audit	53	51
- NZ IFRS transition	-	21
Net loss on sale of property, plant and equipment	-	1
PBF collection costs	2	8
Total administration expenditure	3,119	2,883

5. Recovery of previously expensed debts

	Actual 2009 \$000	Actual 2008 \$000
Public broadcasting fee*	(7)	(30)
Total recovery of previously expensed debts	(7)	(30)

*The Public Broadcasting Fee (PBF) was discontinued at 30 June 2000. We continue to collect outstanding amounts owed as at that date.

6. Television funding expenditure

See Appendix 1 for details of funded programmes

Commitments

	Actual 2009 Hours	Actual 2009 Funding \$000	Actual 2008 Hours	Actual 2008 Funding \$000
Drama	59.5	29,420	53	23,844
Comedy	42.5	5,618	26	6,458
Children's drama	6.5	3,513	13	4,610
Documentary	99	9,211	122.5	12,023
Children and young people	439.3	12,863	397	11,030
Arts, culture and performance	39.2	3,638	30.5	3,852
Innovation	-	227	10	1,000
Special interest, and captioning	141	10,274	147.5	10,123
Regional	N/A	902	N/A	890
Development	N/A	165	N/A	470
TVNZ Direct funding*	408.5**	15,111	-	-
Total television commitments	1,235.5	90,942	799.5***	74,300
Less commitments not utilised so written back		(4,912)		(1,962)
<i>Plus/(less) net impact of prior year commitments recognised as expenditure when substantive contractual conditions had been met and current year commitments unable to be recognised as expenditure until substantive contractual conditions have been met (excludes write backs)</i>		3,847		(3,624)
Total television funding expenditure		89,877		68,714

* Transferred from the Ministry for Culture and Heritage from 1 July 2008

** To avoid double counting, the 408.5 TVNZ Direct funding hours excludes programming also funded through NZ On Air contestable funds (a further 67.2 hours)

*** Plus 4.5 hours funded through the Digital Content Partnership Fund = 804 hours in total

7. Radio funding expenditure

See Appendix 2 for details of funded programmes

Commitments

	Actual 2009 \$000	Actual 2008 \$000
Radio New Zealand - RNZ National	26,815	24,506
Radio New Zealand - RNZ Concert	4,903	4,568
<i>Total Radio New Zealand</i>	<i>31,718</i>	<i>29,074</i>
Community access and Pacific Island radio	2,556	2,489
Programmes funded for commercial radio	1,058	709
Total radio commitments	35,332	32,272
Less commitments not utilised so written back	(45)	(5)
<i>Plus/(less) net impact of prior year commitments recognised as expenditure when substantive contractual conditions had been met and current year commitments unable to be recognised as expenditure until substantive contractual conditions have been met (excludes write backs)</i>	-	-
Total radio funding expenditure	35,287	32,267

8. Music funding expenditure

See Appendices 3 and 4 for details of funded programmes

Commitments

	Actual 2009 \$000	Actual 2008 \$000
Music funding	4,629	3,888
Music promotion: New Zealand	650	757
Music promotion: international	708	850
Total music commitments	5,987	5,495
Less commitments not utilised so written back	(636)	(184)
<i>Plus/(less) net impact of prior year commitments recognised as expenditure when substantive contractual conditions had been met and current year commitments unable to be recognised as expenditure until substantive contractual conditions have been met (excludes write backs)</i>	-	-
Total music funding expenditure	5,351	5,311

9. Digital and Archiving funding expenditure

Commitments

	Actual 2009 \$000	Actual 2008 \$000
Archiving – New Zealand Film Archive (Television)	740	738
Archiving – Sound Archives/Ngā Taonga Kōrero (Radio)	600	601
<i>Total Archiving</i>	1,340	1,339
Digital – NZ On Screen	1,200	1,200
Digital – Digital Partnership Fund	1,000	1,000
<i>Total Digital</i>	2,200	2,200
Total Digital and Archiving commitments	3,540	3,539
Less commitments not utilised so written back	-	(2)
<i>Plus/(less) net impact of prior year commitments recognised as expenditure when substantive contractual conditions had been met and current year commitments unable to be recognised as expenditure until substantive contractual conditions have been met (excludes write backs)</i>	-	-
Total Digital and Archiving funding expenditure	3,540	3,537

10. Cash and cash equivalents

	Actual 2009 \$000	Actual 2008 \$000
Cash	79	66
Call and Term Deposits (30 June 2009: \$5.441m at 3.15%)	5,441	12,159
Total cash and cash equivalents	5,520	12,225

The carrying value of short-term deposits with maturity dates of three months or less approximates their fair value.

11. Investments

Term deposits

Total investments

Actual 2009 \$000	Actual 2008 \$000
45,100	47,700
45,100	47,700

The carrying value of term deposits approximates their fair value. The maturity dates and weighted average effective interest rates for term deposits are as follows:

Term deposits with maturities of 4-6 months*

Term deposits with maturities of 6-12 months*

Weighted average effective interest rate

Actual 2009 \$000	Actual 2008 \$000
23,600	-
21,500	47,700
4.15%	8.83%

*At 30 June 2009 average maturity is 185 days (30/6/08: 189 days)

Term deposit investments at 30 June 2009 are invested at fixed rates ranging from 3.23% - 4.95%. These deposits are at a fixed interest rate and measured at amortised cost, so an increase or decrease in interest rates during the period would not impact the measurements of the investments and hence there would be no impact on the surplus/deficit or equity.

12. Accounts receivable

GST receivable

Other receivables

Total accounts receivable

Actual 2009 \$000	Actual 2008 \$000
134	30
391	73
525	103

The carrying value of accounts receivable approximates their fair value. We expect to recover the full amount of our receivables.

13. Property, plant and equipment

Movements for each class of property, plant and equipment are as follows:

	Computer Equipment \$000	Furniture & Fittings \$000	Office Equipment \$000	Leasehold Improvements \$000	Total \$000
Cost					
Balance at 1 July 2007	300	191	89	212	792
Additions	111	-	25	4	140
Disposals	(241)	(164)	(74)	(209)	(688)
Balance at 30 June 2008	170	27	40	7	244
Balance at 1 July 2008	170	27	40	7	244
Additions	23	16	15	77	131
Disposals	(3)	(1)	(3)	-	(7)
Transfer (intangible assets)	(83)	-	-	-	(83)
Balance at 30 June 2009	107	42	52	84	285
Accumulated depreciation and impairment losses					
Balance at 1 July 2007	251	176	81	203	711
Depreciation	26	5	5	9	45
Impairment Losses	-	-	-	-	-
Eliminate on Disposal	(241)	(164)	(74)	(209)	(688)
Balance at 30 June 2008	36	17	12	3	68
Balance at 1 July 2008	36	17	12	3	68
Depreciation	30	4	9	8	51
Impairment Losses	-	-	-	-	-
Eliminate on Disposal	(3)	(1)	(3)	-	(7)
Transfer (intangible assets)	-	-	-	-	-
Balance at 30 June 2009	63	20	18	11	112
Carrying value					
At 1 July 2007	49	15	8	9	81
At 30 June & 1 July 2008	134	10	28	4	176
At 30 June 2009	44	22	34	73	173

14. Intangible assets

	Acquired Computer Software	Acquired Computer Software
	2009	2008
	\$000	\$000
Cost		
Balance at 1 July	-	-
Additions	59	-
Disposals	-	-
Transfer property, plant and equipment	83	-
Balance at 30 June	142	-
Accumulated amortisation and impairment losses		
Balance at 1 July	-	-
Amortisation	27	-
Impairment Losses	-	-
Transfer property, plant and equipment	-	-
Balance at 30 June	27	-
Carrying value		
At 1 July	-	-
At 30 June	115	-

15. Creditors and other payables

	Actual	Actual
	2009	2008
	\$000	\$000
PAYE and withholding tax payable	-	23
Accrued expenses	419	225
Total creditors and other payables	419	248

Creditors and other payables are non-interest bearing and are normally settled on less than 30 day terms, therefore the carrying value of creditors and other payables approximates their fair value.

16. Employee entitlements

	Actual	Actual
	2009	2008
	\$000	\$000
Accrued salaries and wages	23	24
Annual leave	61	55
Total employee entitlements	84	79

17. Funding liabilities

We recognise a liability for funding expenditure when the following conditions have been met:

- (a) The expenditure has been approved by the Board
- (b) The funding recipient has been advised
- (c) There are no substantive contractual conditions for the funding recipient to fulfill
- (d) It is probable (more likely than not) that the funded proposal will be completed and that our commitment will crystallise.

At 30 June funding liabilities in the balance sheet include both contracted liabilities and liabilities that are uncontracted, but have no substantive contractual conditions unfulfilled. The value of our funding liabilities is as follows (all current as all expected to be paid in the next 12 months):

	Actual 2009 \$000	Actual 2008 \$000
Television	34,315	38,386
Radio	463	341
Music	3,103	3,430
Digital and Archiving	1,456	1,219
Total funding liabilities	39,337	43,376

Movements for each class of funding liabilities are as follows:

	Television \$000	Radio \$000	Music \$000	Digital & Archiving \$000	Total \$000
Balance at 1 July 2008	38,386	341	3,430	1,219	43,376
Additional provisions made	94,789	35,332	5,987	3,540	139,648
Amounts used	(93,948)	(35,165)	(5,678)	(3,303)	(138,094)
Unused amounts reversed	(4,912)	(45)	(636)	-	(5,593)
Balance at 30 June 2009	34,315	463	3,103	1,456	39,337

18. Reconciliation of net surplus/(deficit) to net cash from operating activities

	Actual 2009 \$000	Actual 2008 \$000
Net surplus/(deficit) from operations	(5,404)	3,473
Less investing activities		
Interest received	(3,826)	(5,236)
Total investing activities	(3,826)	(5,236)
Add non-cash items:		
Depreciation	77	45
Total non-cash items	77	45
Add/(less) movements in working capital items:		
Decrease/(increase) in accounts receivable	179	37
(Decrease)/increase in GST payable	(104)	(192)
(Decrease)/increase in accounts payable (incl. employee entitlements)	176	(28)
(Decrease)/increase in funding liabilities	(4,039)	(4,012)
Net movement in working capital items	(3,788)	(4,195)
Net cash inflow/(outflow) from operating activities	(12,941)	(5,913)

19. Capital commitments and operating leases

	Actual 2009 \$000	Actual 2008 \$000
Capital commitments		
Property, plant and equipment	-	-
Total capital commitments	-	-
Operating leases as lessee		
Not later than one year	141	172
Later than one year and not later than two years	262	141
Later than two years and not later than five years	131	393
Total non-cancellable operating leases	534	706
Other operating commitments		
Not later than one year	33,186	33,058
Later than one year and not later than two years	31,816	-
Later than two years and not later than five years	-	-
Total other operating commitments	65,002	33,058

Other operating commitments relate to the 2009/10 Radio New Zealand contract and archiving contracts signed before 30 June.

20. Contingent liabilities

At 30 June 2009 we have contingent liabilities totalling \$10.265m (2008: \$14.112m). They are the result of funding commitments we have made that cannot be recognised as expenditure because substantive conditions associated with the commitment were not completed at 30 June.

21. Related party transactions and key management personnel

Related party transactions

We are a wholly owned entity of the Crown. The government significantly influences our role in addition to being our major source of revenue.

We enter into transactions with government departments, state-owned enterprises and other Crown entities. Those transactions that occur within a normal supplier or client relationship on terms and conditions no more or less favourable than those which it is reasonable to expect we would have adopted if dealing with that entity at arm's length in the same circumstances have not been disclosed as related party transactions.

If a member of the Board has an interest in an application made to NZ On Air, that interest is disclosed. That member does not take part in the decisions relating to that application or in the decisions relating to other proposals in the genre to which that application relates.

We provided \$729,445 in funding to two projects for Cinco Cine Film Productions and one for Conco Cine/Conbrio, companies in which Board member Nicole Hoey has an interest (2008: \$86,333 in relation to two projects).

At 30 June 2009 we had a funding liability of \$485,544 to Cinco Cine Film Productions (2008: \$94,253) and \$1,395,827 to Cinco Cine/Conbrio (2008: \$0).

We provided \$444,777 in funding to a project for Kiwa Media, a company in which former Board member Rhonda Kite has an interest. At 30 June 2009 we had a funding liability of \$111,195 to Kiwa Media (2008: \$0).

In 2008/09 we provided \$1.2m (2008: \$1.2m) to a charitable trust, the NZ On Screen Trust, to maintain and develop the website nzonscreen.com. The trust is governed by up to seven trustees. During 2008/09, an NZ On Air Board member, Edie Moke, and NZ On Air's chief executive Jane Wrightson were trustees of the NZ On Screen Trust.

Key personnel compensation

Salaries and other short-term employee benefits

Termination benefits

Total key personnel compensation

	Actual 2009 \$000	Actual 2008 \$000
	691	958
	41	-
	732	958

Key management personnel include all Board members, the Chief Executive, Deputy Chief Executive and Chief Financial Officer. Staff considered key personnel for this note have been reviewed and reduced from those reported in 2007/08.

22. Board member remuneration

The Board fees paid during the year were:

Neil Walter - Chair

Edie Moke - Deputy Chair

Paul Smith

Nicole Hoey

Michael Glading (appointed December 2007)

Murray Shaw (appointed August 2008)

Rhonda Kite (retired August 2008)

Judy Callingham (retired December 2007)

Total Board fees

	Actual 2009 \$000	Actual 2008 \$000
	38	38
	19	19
	19	19
	19	19
	19	10
	17	-
	3	19
	-	9
	134	133

Payment of \$5,738 was made to the independent Chair of the Audit and Risk Committee during the financial year. (2008: \$0).

We held Directors and Officers liability cover during the financial year in respect of the liability or costs of Board members and employees.

23. Employee remuneration

Employee remuneration (salary, bonuses and other benefits such as superannuation) paid during the year was:

\$100,000 - \$109,000
\$110,000 - \$119,999
\$120,000 - \$129,999
\$150,000 - \$159,999
\$190,000 - \$199,999
\$270,000 - \$279,999
\$280,000 - \$289,000

	Number of Employees	Number of Employees
	2009	2008
	-	1
	1	2
	2	-
	1	-
	-	1
	-	1
	1	-

During the year ended 30 June 2009, one employee received \$40,846 in relation to cessation. (2008: \$5,669)

24. Events after balance sheet date

There were no significant events after the balance sheet date.

25. Categories of financial assets and liabilities

The carrying amounts of financial assets and liabilities in each of the NZ IAS39 categories are as follows:

Loans and receivables

Cash and cash equivalents	5,520	12,225
Debtors and other receivables	1,131	1,205
Investments – term deposits	45,100	47,700
Total loans and receivables	51,751	61,130

Financial liabilities measured at amortised cost

Creditors and other payables	39,840	43,703
Total financial liabilities measured at amortised cost	39,840	43,703

26. Financial instrument risks

Our activities expose us to a variety of financial instrument risks, including market risk, credit risk and liquidity risk. We have a series of policies to manage the risks associated with financial instruments that seek to minimise exposure from financial instruments. These policies do not allow any transactions that are speculative in nature.

Market risk

The interest rates on our investments and cash holdings are disclosed in notes 10 and 11.

Fair value interest rate risk

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. Our exposure to fair value interest rate risk is limited to our bank deposits which are held at fixed rates of interest.

Cash flow interest rate risk

Cash flow interest rate risk is the risk that the cash flows from a financial instrument will fluctuate because of changes in market interest rates. Investments issued at variable interest rates would expose us to cash flow interest rate risk. We have no variable interest rate investments.

Sensitivity analysis

At 30 June 2009, had interest rates on our term deposits been 50 basis points higher or lower, with all other variables held constant, the surplus would have been \$253,000 higher/lower (2008: \$300,000).

Currency risk

Currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate due to changes in foreign exchange rates. We make occasional, low value payments in foreign currencies that are converted to New Zealand dollars at the spot rate on the day of payment. We have no foreign currency creditors at 30 June 2009.

Price risk

Price risk is the risk that the value of a financial instrument will fluctuate as a result of changes in market prices. We do not invest in equity financial instruments and hence have no exposure to price risk.

Credit risk

Credit risk is the risk that a third party will default on its obligations to us, causing us to incur a loss. Due to the timing of our cash inflows and outflows we invest surplus cash with registered banks. Our treasury policy limits the amount of credit exposure to any one institution.

Our maximum credit exposure for each class of financial instrument is represented by the total carrying value of our cash and cash equivalents (note 10), investments (note 11) and accounts receivable (note 12). There is no collateral held against these financial instruments.

We have no significant exposure to concentrations of credit risk as we have a small number of debtors and we only invest with registered banks with specified Standard and Poor's or Moody's credit ratings.

Our bank deposits and short term investments are spread across six institutions. The first \$1,000,000 held with each institutions is insured by the Government under its deposit guarantee scheme.

Liquidity risk

Liquidity risk is the risk we will encounter difficulty raising funds to meet our commitments as they fall due. We expect to receive 2009/10 Crown funding in equal instalments on the first working day of each month from September 2009 to June 2010. In addition at 30 June 2009 we hold call and term deposits that will mature within the 2009/10 financial year totalling \$50.541m.

We have funding liabilities of \$39.337m at 30 June. We expect these to be paid by 30 June 2010. Most of these payments will be made on the achievement of milestones or activities whose timing is not specified rather than on contractual dates.

27. Capital management

Our capital is our equity, which comprises accumulated funds. Equity is represented by net assets.

We are subject to the financial management and accountability provisions of the Crown Entities Act 2004, which impose restrictions in relation to borrowings, acquisition of securities, issuing guarantees and indemnities and the use of derivatives.

We manage our equity as a by-product of prudently managing revenues, expenses, assets, liabilities, investments, and general financial dealings to ensure we effectively achieve our objectives and purpose, whilst remaining a going concern.

28. Explanation of significant variances against budget

Explanations of variances against budgeted figures in our Statement of Intent are as follows:

Statement of financial performance

	Actual 2009 \$000	Budget 2009 \$000	Difference \$000	Explanation of significant variances
Revenue	131,763	132,057	(294)	<i>Interest (-\$1.170m):</i> Actual interest rates were significantly less than forecast (in April 2007). <i>Sales Revenue (+\$0.864m):</i> Due to its variability we do not forecast sales revenue in the SOI.
Administration expenditure	3,112	3,277	(165)	Not significant
Funding expenditure	134,055	130,456	3,599	<i>Television Funding (+\$4.107m net of write backs of prior year expenditure):</i> Primarily a technical accounting impact. Prior year commitments not recognised as expenditure until 2008/09 (when substantive contractual conditions had been met) were higher by \$3.847m than similar 2008/09 commitments. We forecast the difference to be nil.
Net surplus/(deficit)	(5,404)	(1,676)	3,728	See above

Statement of financial position

	Actual 2009 \$000	Budget 2009 \$000	Difference \$000	Explanation of significant variances
Total Assets	52,039	62,556	(10,517)	<i>Cash and Investments (-\$10.122m)</i> : Contract payment dates occurred slightly ahead of that forecast. Reflected also in lower than forecast funding liabilities.
Total Liabilities	39,840	51,638	(11,798)	<i>Funding Liabilities (-\$11.435m)</i> : Contract payment dates occurred slightly ahead of that forecast. Reflected in also in lower than forecast Cash and Investments.
<i>Committed Equity:</i>				
Opening	14,112	10,488	3,624	<i>Actual opening balance of uncommitted equity higher than forecast (\$3.624m)</i> . The forecast was completed in April 2007, before the end of the 2007/08 financial year.
Movement	(3,847)	-	(3,847)	
Closing	10,265	10,488	(223)	
				<i>Variance in the movement in committed equity (-\$3.847m)</i> is due to prior year commitments not recognised as expenditure until 2008/09 (when substantive contractual conditions had been met) being higher by \$3.847m than similar 2008/09 commitments. We forecast the difference to be nil.
<i>Uncommitted Equity:</i>				
Opening	3,491	2,106	1,385	<i>Actual opening balance of committed equity higher than forecast (\$1.385m)</i> . The forecast was completed in April 2007, before the end of the 2007/08 financial year.
Movement	(1,557)	(1,676)	119	
Closing	1,934	430	1,504	
Total Equity	12,199	10,918	1,281	

Statement of service performance

for the year ended 30 June 2009

Activity 1: Television funding

Activity description

Contestable and TVNZ Direct funding for television programmes that reflect and foster diverse expressions of New Zealand's cultural identity. Bulk funding of eligible regional channels.

Commentary on television funding results

All seven target genre hours were achieved or exceeded. The availability of written back funds provided the opportunity for some additional investment, mainly in Children's and Arts/Performance. This additional expenditure of \$5m purchased an additional 83 hours of programming over the target hours total for the year.

A. Quantitative

The table below details the annual television funding targets and expenditure and our actual performance against those targets.

Television programme funding

Programme Type	Notes	Forecast Hours	Forecast \$000	Actual Hours	Actual \$000
Drama and Comedy		93	33,275	102	35,038
Children's Drama		6.5	2,730	6.5	3,513
Documentaries		96	10,040	99	9,211
Special Interest Programming					
Children and Young People		386.5	11,435	439.3	12,863
Arts, Culture and Performance		22	1,794	39.2	3,638
Innovation	1	-	-	-	227
Disability Services (includes funding for captioning)		20	3,430	20	3,535
Minorities including Ethnic		121	6,716	121	6,739
Development		N/A	360	N/A	165
Regional Television		N/A	890	N/A	902
Subtotal		745	70,670	827	75,831
TVNZ Direct funding		unspecified	15,100	408.5	15,111
Total	2	-	85,770	1,235.5	90,942
Children's Repeats		230	-		

Notes:

1. \$1m was approved for Māori Innovation projects in 2007/08. In 2008/09 a subsequent \$0.227m was approved, funded by Equity brought forward from previous years, to contribute to an extra project.

2. To avoid double counting, the 408.5 TVNZ Direct funding hours figure excludes programming also funded through NZ On Air contestable funds (a further 67.2 hours). See table below.

The table below details genre expenditure committed by TVNZ using Direct funding. See funding appendices for programme titles.

TVNZ Direct funding expenditure by genre

Genre	Forecast \$000	Actual \$000	Actual Hours
Drama	1,050	1,040	13
Comedy/Entertainment	1,940	1,940	13.5
Documentary/Factual	2,760	2,846	29.5
Arts/Culture/Performance	150	120	10
Sport	6,561	6,561	331.2
Current Affairs	1,485	1,428	48
Special Interest	1,165	1,176	30.5
Total	15,111	15,111	475.7

B. Qualitative

The table below details our television funding qualitative performance measures and our actual performance against those measures:

Television funding	Forecast	Actual
<p>Audience measure: The percentage of respondents (using an independent research report) that agree that NZ On Air supports television programmes important to New Zealanders.</p>	<p>More than 2/3rds</p>	<p>Achieved in part:</p> <p>53% agree NZ On Air supports television programmes important to New Zealanders. 93% both watch <i>and</i> enjoy at least one TV programme funded by NZ On Air.</p>
<p>Industry measure: The percentage of respondents (using an independent research report) that agree that NZ On Air balances competing demands well and makes the right choices.</p>	<p>More than 2/3rds</p>	<p>Achieved (88.5%)</p> <p>In an independent research report of NZ On Air's stakeholders, when asked "how well do you think NZ On Air fulfils its role", 88.5% (23 respondents) gave a positive response, 7.7% (2 respondents) a neutral response and 3.8% (1 respondent) a negative response.</p>
<p>Percentage of funded projects not broadcast within 15 months of formal delivery</p>	<p>0%</p>	<p>Achieved (0%)</p>

Activity 2: Radio funding

Activity description

Funding radio programming for diverse audiences through:

- (a) Public radio: Radio New Zealand Ltd (RNZ).
- (b) Community radio: access radio, Pacific Island radio and radio for special interest audiences.
- (c) Commercial radio: Commercial radio programmes targeting audiences important to NZ On Air.

Commentary on radio funding results

Radio New Zealand exceeded all NZ On Air-specific targets and materially achieved or exceeded all bar one of the 21 Charter function targets across both stations.

Access, Special Interest and Pacific Island radio stations were funded as planned. The under expenditure in Access radio was as a result of contingencies that did not occur. This enabled an increase in operating funding to the stations for the 2009/10 year.

Commercial radio programme targets were exceeded.

Performance measures

A. Quantitative

Public radio

The funding agreement between NZ On Air and RNZ requires RNZ to deliver services to help NZ On Air meet its responsibilities under the Broadcasting Act 1989. The agreed targets and the actual performance against those targets are detailed below:

Types of Programmes and Services

	Notes	RNZ National	RNZ Concert	RNZ National	RNZ Concert
		Annual Target Hours	Annual Target Hours	Actual Hours	Actual Hours
NZ content programmes which includes:		7,800	N/A	8,049	N/A
- Māori Language and Culture		350	N/A	354	N/A
- Special Interest		340	N/A	435	N/A
- NZ Drama, Fiction and Comedy		200	N/A	300	N/A
Other Measures:					
- % of NZ music on rotate	1	33%	N/A	36.7%	N/A
- % of NZ composition		N/A	3.5%	N/A	4.3%
- % of NZ music performance		N/A	14%	N/A	16%
- % of population able to receive transmission	2	97%	92%	97%	92%

Notes:

1. In addition to New Zealand music on rotate, RNZ National produces and broadcasts feature programmes on New Zealand music.
2. This is the proportion of the population able to receive RNZ National and RNZ Concert via terrestrial transmission. 100% of the country is able to access RNZ National and RNZ Concert signal via Freeview or a Sky TV satellite dish and decoder.

The table below details the target programme hours for Radio New Zealand to meet its Charter obligations, and the actual performance against those targets:

Charter Functions (Note 1 and 2)	RNZ National				RNZ Concert			
	Target Annual Broadcast Hours	Actual Broadcast Hours	Target % Total Hours	Actual % Total Hours	Target Annual Broadcast Hours	Actual Broadcast Hours	Target % Total Hours	Actual % Total Hours
(a) Programming that is predominantly and distinctively of New Zealand	8,059	8,050	92%	92%	1,226	1,393	14%	16%
(b) Programming that informs, entertains and enlightens the people of New Zealand	8,410	8,411	96%	96%	8,760	8,760	100%	100%
(c) Programming that is challenging, innovative and engaging	8,497	8,557	97%	98%	8,760	8,760	100%	100%
(d) Programming that fosters critical thought, informed and wide-ranging debate thereby contributing to greater tolerance and understanding	8,322	8,411	95%	96%	N/A	N/A	N/A	N/A
(e) Programming that stimulates, supports and reflects the diversity of cultural expression including drama, comedy, literature and the performing arts	7,621	7,663	87%	87%	8,497	8,484	97%	97%
(f) Programming that stimulates, supports and reflects a wide range of music, including New Zealand composition and performance	964	991	11%	11%	8,497	8,484	97%	97%
(g) Programming that reflects New Zealand's cultural identity, including Māori language and culture	8,059	8,050	92%	92%	1,226	1,393	14%	16%
(h) Programming that provides awareness of the world and of New Zealand's place in it	6,482	6,481	74%	74%	350	335	4%	4%
(i) Programming that provides comprehensive, independent, accurate, impartial and balanced regional, national and international news and current affairs	4,117	4,268	47%	49%	263	276	3%	3%
(j) Balance programmes of special interest with those of wide appeal recognising the interests of all age groups	8,410	8,411	96%	96%	788	725	9%	8%
(k) Contribute towards intellectual and spiritual development	7,446	7,530	85%	86%	8,760	8,760	100%	100%

Notes

- Particular programmes produced and broadcast by either RNZ National or RNZ Concert have been assessed in terms of the contribution that the programme makes to RNZ's statutory Charter functions. Most programmes contribute to more than one Charter function.
- While RNZ Concert's programmes may broadly meet the intentions of Charter functions A and E, its primary role is to provide services intended by function D.

Forecast and actual expenditure

	Forecast \$000	Actual \$000
Radio New Zealand	31,718	31,718
Total public radio	31,718	31,718

Community radio**Forecast and actual expenditure**

	Forecast \$000	Actual \$000
Access radio	2,537	2,076
Pacific Island radio	375	375
Special Interest radio	110	105
Total community radio	3,022	2,556

Commercial radio projects**Forecast and actual expenditure**

	Forecast Number	Actual Number	Forecast \$000	Actual \$000
Youth and Children	150 hours	216	450	503
Other	12 programmes or series	14	576	555
Total commercial radio	-	-	1,026	1,058

B. Qualitative

The table below details our radio funding qualitative performance measures and our actual performance against those measures:

Radio funding

	Forecast	Actual
The percentage of regular Access radio listeners (from an independent research report) that agree Access radio delivers programmes and activities that are important to them.	More than 2/3rds	Achieved (85%)
Percentage of funded projects not broadcast within 15 months of formal delivery	0%	Achieved (0%)

Activity 3: NZ Music

Activity description

Promote and fund New Zealand Music to achieve significant broadcast exposure.

Commentary on NZ Music results

New Zealand music content on commercial radio was 20.08% for the 12 months to 30 June 2009. This was the first time local content topped the 20% mark in a 12 month period since 2005.

Performance measures

A. Quantitative

The tables below detail our NZ Music full year quantitative performance measures and budgets and actual performance against those targets. The approved budget was increased during the year funded by write backs. This has allowed another 8 albums to be supported. Other budget reprioritisation during the year approved by the Board has primarily been from international promotion to domestic activities.

Music funding	Forecast Number	Actual Number	Forecast \$000	Actual \$000
Albums	25	33	1,250	1,599
Radio singles	21	23	210	230
Singles with at least 50% te reo lyric content	3	0	15	-
Radio hits rebates for recordings that achieve significant airplay	20	20	100	100
Music videos	170	170	850	850
Music television programmes	5	5	530	540
Syndicated or networked music programmes produced and broadcast on commercial radio	13	17	550	810
b.net radio stations funded	5	5	500	500
Total	-	-	4,005	4,629

Music promotion: New Zealand	Forecast Number	Actual Number	Forecast \$000	Actual \$000
Music promotion	N/A	N/A	442	368
Volumes of <i>Kiwi Hit Disc</i> & <i>Iwi Hit Disc</i> produced & distributed	15	15	100	86
Issues of <i>Fresh NZ Music</i> magazine produced	11	11	23	16
NZ Music Awards sponsorship (funded from album sales revenue)	1	1	-	180
Total	-	-	565	650

Music promotion: International	Forecast Number	Actual Number	Forecast \$000	Actual \$000
NZ music samplers produced & distributed to selected tastemakers in 4 target overseas territories	10	9	160	133
NZ music features published in a leading trade magazine in each target territory	4	5	160	125
Consultancies	N/A	N/A	184	120
Representation; and	4	5	123	123
International music events (Note 1)	4	1	-	192
NZ music radio shows produced for international syndication	4	1	23	15
International radio promotion projects	10	-	200	-
Total	-	-	850	708

Note 1. The budget allocation for international music events was allocated across other international music promotion categories in the SOI budget. This in part explains under expenditure in other international music promotion categories.

B. Qualitative

The table below details our NZ music qualitative performance measures and actual performance against those measures:

Music funding and promotion	Forecast	Actual
Percentage of singles released from Phase Four Albums that achieve a Top 40 airplay placing	At least 90%	Achieved (95%)
Percentage of respondents to independent research that support encouraging more radio stations to play more New Zealand music	At least 60%	Not Achieved (59%)
Percentage of radio singles from new artists that will achieve a Top 40 airplay placing	At least 80%	Achieved (83%)
From the volumes of Kiwi Hit Discs produced, the percentage of tracks that achieve a Top 40 airplay placing (Note 1)	At least 75%	Not Achieved (62%)
Percentage of the music videos funded that will be played on music television	100%	Information not received at time of printing
Percentage of NZ music played on commercial radio	20%	Achieved (20.08%)
Percentage of funded projects not broadcast within 15 months of formal delivery	0%	Achieved (0%)

Note 1. While annual local content figures are the best since 2005 and we are getting better quality radio hits from the Kiwi Hit Disc, we did not achieve the target quantity of radio hits from the scheme. The results of the scheme can vary as the radio hits strike rate is speculative and contingent upon what other songs are competing for airtime at the time.

Activity 4: Digital and Archiving funding

Activity description

Fund the collection, preservation and display of television and radio programmes in traditional and digital environments.

Performance measures

A. Quantitative

The tables below detail our Digital and Archiving funding full year performance measures and our actual performance against those measures.

Archiving

Radio and television archiving

	Notes	Forecast Hours	Actual Hours
TV Programmes Archived	1	1,440	1,681
TV Programmes Preserved	2	210	185
Radio Programmes Archived		1,300	1,767
Radio Programmes Preserved		1,900	1,889

Note 1: Subsequent to the SOI being published, actual annual target negotiated with NZ Film Archive was 1,680 hours

Note 2: Subsequent to the SOI being published, actual annual target negotiated with NZ Film Archive was 185 hours

Forecast and actual expenditure

	Notes	Forecast \$000	Actual \$000
TV Programmes Archived and Preserved	1	670	740
Radio Programmes Archived and Preserved		630	600
Total		1,300	1,340

Note 1: Additional funding allocated to NZ Film Archive for digitisation.

Digital

Digital strategy

	Forecast \$000	Actual \$000
Digital Content Partnership Fund (see Appendix 5)	1,000	1,000
NZ On Screen	1,200	1,200
Total	2,200	2,200

B. Qualitative

The table below details our archiving funding full year qualitative performance measure and our actual performance against that measure.

Radio and television archiving

	Forecast	Actual
Independent archiving consultants contracted to confirm material archived in the period is undertaken to best-practice professional standards.	Achieved	Achieved

Activity 5: Funding management

Activity description

The systems, processes and resources used to scan the environment, evaluate proposals and deliver public funds to a high professional standard.

Commentary on Funding Management results

All performance measures have been achieved.

Performance measures

A. Quantitative

The table below details our funding management quantitative performance measures and our actual performance against those targets:

Funding management	Forecast	Actual
Percentage of the total budget at which administration expenses are capped	Less than 4%	Achieved (2.3%)
Percentage of the total budget represented by uncommitted public equity at 30 June	Less than 3%	Achieved (1.4%)
Formal Board meetings convened	6	Achieved (6)
Stakeholder reviews undertaken	1	Achieved (1)
Research activities undertaken	4	Achieved (4)
Funding recipients audited	At Least 6	Achieved (6)

The table below details our funding management annual budget and our actual expenditure:

Forecast and actual expenditure	Forecast \$000	Actual \$000
Funding management	3,277	3,119

B. Qualitative

The table below details our funding management full year qualitative performance measures and our actual performance against those measures.

Funding management	Forecast	Actual
Percentage of completed applications received by deadline and considered by Board at its next meeting	100%	Achieved (100%)
Percentage of funding decisions made in accordance with approved policies and procedures	100%	Achieved (100%)

Appendix 1: Television funding

TV production funding

Genre	Programme name	Broadcaster	Producer	Hours	NZ On Air funding	% of Cost	
Arts/Culture	<i>48 Hours TV</i>	C4	Two Heads	6.00	142,952		
	<i>7 Worlds Collide - Again</i>	TV One	Republic Films & Automatic Films	1.00	59,710		
	<i>Anzac 2009: Pacific Islands</i>	MTS	Māori Television	1.50	133,100		
	<i>Anzac Day 2009 Dawn Service</i>	TV One	Television New Zealand	0.75	59,763		
	<i>Anzac Day 2009 Wreathlaying</i>	TV One	Television New Zealand	1.50	47,641		
	<i>Artsville 2009</i>	TV One					
	<i>Bill Sevesi's Dream</i>	TV One	3rd Party Productions	1.00	123,000		
	<i>The People Versus Sir Miles</i>	TV One	Messenger Films	1.00	122,815		
	<i>The Black Friars</i>	TV One	Sticky Pictures	1.00	118,992		
	<i>Pounamu – The Stone In Our Bones</i>	TV One	Frank Film	1.00	124,996		
	<i>Exposing Brake's Origins</i>	TV One	Production Shed TV	1.00	122,930		
	<i>Crime Queen: Ngaio Marsh</i>	TV One	Seannachie Productions	1.00	137,990		
	<i>A Gallery Without Walls</i>	TV One	Top Shelf Productions	1.00	122,351		
	<i>Sound And Fury</i>	TV One	Messenger Films	1.00	122,980		
	<i>The Waterfall</i>	TV One	Watershed Films	1.00	127,964		
	Funds remaining					982	
	<i>Carols In The Caves</i>	TV One	Television New Zealand	1.00	57,561		
	<i>Halberg Sports Awards 2009</i>	TV One	Television New Zealand	1.50	85,898		
	<i>Hip Hop High</i>	TV2	Black Inc Media	3.00	495,925		
	<i>Montana World Of Wearable Art Awards 2009</i>	Prime	Media Inc	1.00	140,983		
	<i>Peter Pan</i>	TV One	Television New Zealand	2.00	270,850		
	<i>Play It Strange 2008</i>	C4	Isola Productions	1.00	133,412		
	<i>Play It Strange 2009</i>	C4	Isola Productions	1.00	134,868		
	<i>Polyfest 2009</i>	TV2	Television New Zealand	2.50	200,728		
	<i>Qantas Film & Television Awards 2008</i>	TV3	TVWorks	1.50	114,444		
	<i>Style Pasifika 2009</i>	TV One	Drum Productions	1.00	144,187		
	<i>The Great Land Debate</i>	MTS	Māori Television	2.00	90,497		
	<i>To Sir With Love</i>	TV One	The Producers	2.00	199,995		
		Total Arts/Culture			39.25	\$3,637,514	83%
	Children	<i>Action Central 2</i>	TV3	Pickled Possum Productions	10.83	1,290,757	
<i>Activate 2</i>		TV2	Quick TV	7.50	469,325		
<i>I Am TV 2009</i>		TV2	Television New Zealand	35.00	1,445,338		
<i>Just The Job 4</i>		TV2	Dave Mason Productions	5.00	127,194		
<i>Let's Get Inventin 4</i>		TV2	Luke Nola	5.00	378,898		
<i>Small Blacks TV 2009</i>		TV2	Content Creators	10.50	175,000		
<i>Smokefree Rockquest 2009</i>		C4	Visionary Film & TV	3.00	261,492		
<i>Stage Challenge 2009</i>		TV3	Mercator Supply Co (NZ)	3.50	334,653		
<i>Sticky TV 2009</i>		TV3	Pickled Possum Productions	140.00	1,934,769		
<i>Studio 2 2009</i>		TV2	Television New Zealand	64.00	1,515,522		
<i>The Erin Simpson Show</i>		TV2	Whitebait Productions	75.00	1,950,367		
<i>What Now? 2009</i>		TV2	What Now Productions	80.00	2,979,840		
		Total Children			439.33	\$12,863,155	84%
Children's Drama	<i>Kaitangata Twitch</i>	MTS	Kaitangata Twitch Productions	6.50	3,513,146		
	Total Children's Drama			6.50	\$3,513,146		
Comedy	<i>7 Days</i>	TV3	TVWorks	12.00	528,581		
	<i>A Night At The Classic</i>	TV2	Two Heads	3.00	261,450		
	<i>Aotearoha 2009</i>	TV3	TVWorks	1.00	119,658		
	<i>Bogan Bros</i>	C4	Great Southern Television	3.00	410,340		
	<i>Comedy Down Under</i>	TV2	Satellite Media Group	1.50	131,660		
	<i>Comedy Gala 2009</i>	TV2	Satellite Media Group	2.00	134,868		
	<i>Eating Media Lunch 8</i>	TV2	Great Southern Television	3.00	181,772		
	<i>Laughing Samoans At Large</i>	TV2	Television New Zealand	4.00	485,663		
	<i>Moon TV Network 6 - The Next Generation</i>	TV2	Moon Enterprises	5.00	286,220		
	<i>Rahdirahdirah</i>	TV3	Firehorse Films	4.00	1,761,425		
	<i>The Jaquie Brown Diaries 2</i>	TV3	Young Gifted & Brown	4.00	1,316,441		
	Total Comedy			42.50	\$5,618,078	76%	

Genre	Programme name	Broadcaster	Producer	Hours	NZ On Air funding	% of Cost	
Documentary	<i>50 Years Of Television In New Zealand</i>	Prime	Cream Media	7.00	1,249,973		
	<i>Aunty Moves In</i>	MTS	Kiwa Media	6.50	444,777		
	<i>Brother Number One</i>	TV3	Pan Pacific Films	1.00	170,000		
	<i>Caravan Of Life</i>	TV One	Jam TV	3.50	336,812		
	<i>Country Calendar 2009</i>	TV One	Television New Zealand	13.00	390,000		
	<i>Extraordinary Kiwis 3</i>	Prime	Execam	5.00	256,690		
	<i>High Country Rescue</i>	TV One	South Pacific Pictures	4.00	520,000		
	<i>Kiwi Champions</i>	TV3	J C Productions	1.00	33,305		
	<i>Lost In Libya (additional)</i>	TV One	Pacific Screen	-	20,581		
	<i>Million Dollar Catch</i>	TV3	Great Southern Television	5.00	471,350		
	<i>Missing Pieces 2</i>	TV3	Eyeworks Touchdown	5.00	607,086		
	<i>Money Man 4</i>	TV3	Cream Media	5.00	392,016		
	<i>Opshop - Secondhand Planet</i>	TV3	Zoomslide Media	1.00	43,503		
	<i>Rocked The Nation 2</i>	C4	Satellite Media Group	6.00	648,911		
	<i>Save Our Home</i>	TV One	Jump Productions	5.00	373,650		
	<i>Saving Face</i>	TV One	Top Shelf Productions	1.00	155,171		
	<i>The Band Plays On</i>	Prime	Frame Up Films	1.00	133,206		
	<i>The Kiwi Who Saved Britain</i>	TV One	Greenstone Pictures	1.00	219,898		
	<i>The Outlook For Someday 2</i>	TV2	Connected Media Trust	1.00	146,386		
	<i>The Warriors</i>	TV3	TVWorks	2.00	93,035		
	<i>What's Really In Our Food? 1 (additional)</i>	TV3	Top Shelf Productions	-	35,000		
	<i>What's Really In Our Food? 2</i>	TV3	Top Shelf Productions	5.00	569,941		
	TVOne Docs 2009	TV One					
	<i>Beyond The Darklands 3</i>	TV One	ScreenTime	6.00	485,716		
	Funds remaining	TV One		14.00	1,414,284		
		Total Documentary			99.00	\$9,211,291	66%
	Drama	<i>Boy</i>	MTS	Whenua Films	2.00	400,000	
<i>Go Girls 2</i>		TV2	South Pacific Pictures	13.00	6,246,000		
<i>Home By Christmas</i>		TV One	Doublehead Films	2.00	400,000		
<i>Matariki</i>		MTS	Filmwork (Matariki)	2.00	392,000		
<i>Outrageous Fortune 5</i>		TV3	South Pacific Pictures	19.00	9,032,650		
<i>The Cult</i>		TV2	Great Southern Television	13.00	6,463,515		
<i>Tracker</i>		TV One	T.H.E. Film	2.00	400,000		
<i>Eruption</i>		TV3	The Gibson Group	2.00	1,585,000		
Sunday Dramas 2007 (additional)*		TV One		-	226,013		
Sunday Dramas 2008		TV One					
<i>Spies And Lies</i>			South Pacific Pictures	1.50	1,427,205		
<i>Billy (development)</i>			Comedia	-	20,000		
<i>Bloodlines (development)</i>			ScreenTime	-	19,675		
<i>Fraud Squad (development)</i>			Great Southern Television	-	7,500		
<i>Head South (development)</i>			Comedia	-	15,000		
Funds remaining				3.00	2,785,620		
		Total Drama			59.50	\$29,420,178	52%
Special Interest	<i>A Festival Of Nine Lessons And Carols</i>	TV One	Arts & Entertainment Productions	1.50	159,641		
	<i>Asia Downunder 2009</i>	TV One	Asia Vision	20.00	1,268,146		
	<i>Attitude 2009</i>	TV One	RSVP Productions	20.00	1,634,817		
	<i>Captioning 2008-09</i>		Television New Zealand	-	1,900,000		
	<i>Minority Voice</i>	TV One	Butobase	5.00	354,761		
	<i>My God 4</i>	TV One	Pacific Screen	5.00	410,000		
	<i>Open Door 10</i>	TV3	Morningside Productions	5.00	387,520		
	<i>Pacific Beat St 2009</i>	TV3	Drum Productions	18.00	1,310,702		
	<i>Praise Be 2009</i>	TV One	Television New Zealand	24.50	494,898		
	<i>Pukana Subtitles 2009</i>	TV3	Cinco Cine Film Productions	-	71,639		
	<i>Rural Delivery 5</i>	TV One	Showdown Productions	15.00	776,571		
	<i>Tagata Pasifika 2009</i>	TV One	Television New Zealand	26.00	1,445,317		
	<i>Young Farmer Contest 2009</i>	TV One	Dexterity Productions	1.00	60,000		
		Total Special Interest			141.00	\$10,274,012	98%
Innovation	Māori Programmes Innovation Fund (additional) **			-	227,106		
Total Television Production				827.08	\$74,764,480		

*This amount was added to the \$1,395,827 remaining from funds allocated in the previous financial year and committed to *Nights In The Garden Of Spain*, a 1 x 2 hour drama produced by Cinco Cine/ Conbrio

**This amount was added to the \$1m funding set aside in the previous financial year and allocated to:

<i>Te Ohaki</i>	TV One	Ponsonby Productions	549,290
<i>Brown Bruthas</i>	TV3	Cinco Cine Film Productions	657,816
<i>Mokai (development)</i>	TV One	M1 Productions	20,000

Television development

Programme name	Broadcaster	Producer	NZ On Air funding
<i>Cut & Run</i>	TV3	Screenworks	10,000
<i>Magic</i>	TV2	Eyeworks Touchdown	20,000
<i>Outrageous Fortune 6</i>	TV3	South Pacific Pictures	65,000
<i>Second Chance</i>	TV One	The Gibson Group	20,000
<i>The Believers (additional)</i>	TV2	Greenstone Pictures	15,000
<i>The Gods Of Norsewood (additional)</i>	TV3	South Pacific Pictures	25,000
<i>The Stallion</i>	C4	The Stud Farm	10,000
Total TV Development			\$165,000

Regional television bulk funding

Broadcaster	NZ On Air funding
45 South	16,667
Canterbury Television	108,200
Channel 9 Dunedin	88,000
Cue TV	86,900
East Coast Television	71,100
Family Television North	76,400
Mainland Television	78,000
Rotorua Television	71,700
Tararua TV	79,100
Te Hiku Television	16,667
Television Hawke's Bay	77,500
Triangle Television	116,100
Triangle Television Wellington	16,666
TV Central, Waikato	73,800
Regional dubbing fund	11,471
Total Regional Television	\$988,271*

*Funding of \$86,800 from the previous year is included

TVNZ Direct funding

Funding this year was administered with a transitional arrangement. NZ On Air made quarterly bulk payments to TVNZ but had no involvement in allocating funding to individual programmes. In the next financial year this funding will comprise the contestable Platinum Fund.

Genre	Programme name	Broadcaster	Producer	Hours	NZ On Air funding
Arts Culture & Performance	<i>Artsville 2010*</i>	TV One	Various	10.00	120,000
	Total Arts Culture & Performance			10.00	\$120,000
Current Affairs	<i>Agenda 2008</i>	TV One	Front Page	18.00	462,500
	<i>Eye To Eye 2008</i>	TV One	Front Of The Box	13.00	580,000
	<i>Q&A 2009</i>	TV One	Television New Zealand	17.00	385,146
	Total Current Affairs			48.00	\$1,427,646
Documentary	<i>Country Calendar 2009*</i>	TV One	Television New Zealand	13.00	468,806
	<i>The Missing</i>	TV One	Screenetime	8.00	1,155,966
	<i>Would Like To Work</i>	TV One	Red Flame	4.00	579,995
	<i>That Guy's Mysterious Planet</i>	TV2	Moon Enterprises	3.00	396,003
	<i>Illegal NZ (additional)</i>	TV2	Screenetime	1.50	245,579
	Total Documentary			29.50	\$2,846,349
Drama	<i>Go Girls II*</i>	TV2	South Pacific Pictures	13.00	1,040,000
	Total Drama			13.00	\$1,040,000
Entertainment	<i>Top Town</i>	TV2	Eyeworks Touchdown	8.00	1,658,480
	<i>The Laughing Samoans*</i>	TV2	Television New Zealand	4.00	160,000
	<i>New Years Eve Special*</i>	TV2	Television New Zealand	1.50	121,108
	Total Entertainment			13.50	\$1,939,588
Special Interest	<i>Armistice Day 2009</i>	TV One	Television New Zealand	1.50	48,725
	<i>Paralympics 2009*</i>	TV One	Television New Zealand	14.00	425,582
	<i>To Sir With Love*</i>	TV One	The Producers	1.50	199,998
	<i>Waitangi Day 2009</i>	TV One	Television New Zealand	3.00	98,471
	<i>Young Farmer 2009*</i>	TV One	Television New Zealand	1.00	60,000
	<i>Hip Hop High*</i>	TV2	Black Inc Communications	3.00	24,000
	<i>Paradise Café 1*</i>	TV2	The Gibson Group	6.50	319,707
	Total Special Interest			30.50	\$1,176,483
Sports	<i>Netball</i>	TV One	Television New Zealand	50.00	854,210
	<i>Minority Sport</i>	TV One	Television New Zealand	110.00	1,145,790
	<i>Olympics 2008</i>	TV One	Television New Zealand	171.20	4,560,934
	Total Sports			331.20	\$6,560,934
Total TVNZ Direct funding				475.70	\$15,111,000

* NZ On Air contestable funding also allocated to this programme

Appendix 2: Radio funding

Access and Pacific Island radio

Radio station	NZ On Air funding
Access Manawatu	150,000
Arrow FM (Wairarapa)	132,748
Coast Access Radio (Kapiti)	130,000
Community Radio Hamilton	244,590
Fresh FM (Nelson)	215,000
Plains FM (Christchurch)	218,400
Planet FM 104.6 (Auckland)	230,000
Radio Kidnappers (Hawke's Bay)	188,000
Radio Southland	159,600
Toroa Radio (Dunedin)	160,000
Wellington Access Radio	230,000
531 pi (Auckland)	200,000
Samoa Capital Radio (Wellington)	175,000
Print Disabled Radio	105,000
Managers' Workshop	18,000
Total Access and Pacific Island Radio	\$2,556,338

Radio programme production

Genre	Programme name	Producer	Broadcaster	NZ On Air funding
Children	<i>That's The Story 2009</i>	Loud Mouth Productions	Classic Hits	103,480
	<i>The Great Big Kids' Show</i>	Treehut	Big FM	120,630
	Total Children			\$224,110
Comedy	<i>Bad Sex - Development funding</i>	Fumes (NZ)	Kiwi FM	3,000
	<i>Bitchin'</i>	Fumes (NZ)	Kiwi FM	37,630
	<i>James Coleman Year In Review 2008</i>	The Down Low Concept	Radio Live	4,620
	<i>P.R. Rescue</i>	Muller Media	Solid Gold	23,175
	<i>Pop! Goes The Weasel</i>	The Down Low Concept	Radio Live	79,285
	<i>Public Address Radio</i>	The Down Low Concept	Radio Live	124,320
	Total Comedy			\$272,030
Special Interest	<i>Asian Radio Show</i>	Holy Cow Media	Radio Live	50,500
	<i>Christmas Day Special</i>	Christian Broadcasting	Newstalk ZB	12,048
	<i>Easter 2009</i>	Christian Broadcasting	Newstalk ZB	13,429
	<i>Paakiwaha</i>	UMA Broadcasting	Waatea/Iwi	75,000
	<i>Real Life</i>	Christian Broadcasting	Newstalk ZB	12,000
	<i>Scrubcutter</i>	Christian Broadcasting	Newstalk ZB	70,000
	<i>Today In Parliament</i>	Inhouse Broadcasting	Radio Live	50,000
	Total Special Interest			\$282,977
Youth	<i>Te Puutake</i>	Stretchmark Productions	George FM	133,500
	<i>Upload</i>	Base Two	George FM	144,940
	Total Youth			\$278,440
Total Radio Programme Production				\$1,057,557

Appendix 3: NZ Music funding

NZ Music albums

Artist	NZ On Air funding	Artist	NZ On Air funding
Annabel Fay	50,000	Pluto	50,000
Brooke Fraser	50,000	Sarah Brown	50,000
Collapsing Cities	50,000	Shihad	50,000
Dave Dobbyn	50,000	Smashproof	31,100
Deja Voodoo	50,000	Steriogram	50,000
Devol	50,000	Sweet & Irie	50,000
Gin Wigmore	50,000	The Brunettes	50,000
Greg Johnson	50,000	The Checks	21,625
Hollie Smith	50,000	The Datsuns	50,000
Jon Toogood	50,000	The Electric Confectionaires	50,000
Jonny Love	50,000	The Exiles	46,500
Julia Deans	50,000	The Tutts	50,000
Katchafire	50,000	The Valves	50,000
Ladi6	50,000	These Four Walls	50,000
Midnight Youth	50,000	Tim Finn	50,000
Motocade	50,000	Young Sid	49,400
Opensouls	50,000	Total	\$1,598,625

NZ Music new recordings - all funded at \$10,000. Total \$230,000

Artist	Artist
Artisan Guns - Autumn	Esther Melody - Meet Me At The Water
Bang! Bang! Eche! - (You And Me) As Thick As Thieves	I Am Giant - City Limits
Beneath The Silence - The Five Points	Iva Lamkum - No
Bionic Pixie - Broken Machine	Josh Leys - To Be Creating
Black River Drive - Everywhere	Kingston - Round We Go
Dane Rumble - Always Be Here	Miriam Clancy - When I Do
Dane Rumble - Don't Know What To Do	One-Two - Feels Good
Deach & Jay'O - One Word	Seth Haapu - Owe You Nothing
Devol - Can't Let You Go	The Black Dahlias - Do You Wanna
Dictaphone Blues - You Put It In Me	The Earlybirds - Low
DJ CXL featuring Temple Jones - Number One	The Lookie Loos - Shaky Laughter
Erakah - Infatuated	

NZ Music television programmes

Programme	NZ On Air funding	Programme	NZ On Air funding
C4 Live Specials	100,000	Juice TV NZOwn	100,000
C4 Official Top 40	85,000	Vodafone New Zealand Music Awards 2008	140,000
C4 Special Features/Jono's New Show	115,000	Total	\$540,000

b.net stations funded

Station	NZ On Air funding	Station	NZ On Air funding
95bFM (Auckland)	180,000	RDU 98.5FM (Christchurch)	90,000
Radio Control (Palmerston North)	55,000	Radio One (Dunedin)	75,000
Radio Active (Wellington)	100,000	Total	\$500,000

NZ Music radio programmes

Programme and Station	NZ On Air funding	Programme and Station	NZ On Air funding
As Kiwi As (Classic Hits)	40,000	NZ Number Ones (Classic Hits)	25,700
Down The Back Of The Couch (Kiwi FM)	50,000	Off The Record (The Rock)	50,000
Get Up (Kiwi FM)	50,000	SOUNZ Music Initiative (RNZ Concert)	100,000
High Noon Tea (Kiwi FM)	33,000	Sidestreets (Kiwi FM)	37,000
Homegrown (Rhema)	33,680	The Drum 'n' Bass Show (Kiwi FM)	50,000
Independent, Alternative, New (Kiwi FM)	50,000	The Slab (The Edge)	36,000
The Source (Flava)	50,000	Voices From The Wilderness (Kiwi FM)	50,000
The Word (ZM)	49,400	Wired (More FM)	50,000
un-chart-ed (b.net)	55,465	Total	\$810,245

NZ Music radio hits - all funded at \$5,000. Total \$100,000**Artist and Song**

AKA Brown - The Only One
 Ammp - Go
 Anika Moa & Opshop - Beside You
 Delani - Another Day
 Dukes - Time Is A Train
 Hollie Smith - Sensitive To A Smile
 J Williams - Blow Ya Mind
 J Williams - Set It Off
 Josh Leys - Miracle
 Julie Ta'ale - Oh Baby

Artist and Song

Mumsdollar - Sticks & Stones
 Pearl - Life Is Beautiful
 Phil Madsen - Dancing On The Moon
 Pieter T featuring PNC & Dei Hamo - Business
 Pieter T featuring The Truth - Stay With Me
 The Feelers - Beautiful Feeling
 The Feelers - Whoever Said
 The Mint Chicks - Life Will Get Better Some Day
 Vince Harder - Strobelight
 Young Sid - My Letter

NZ Music videos - all funded at \$5,000. Total \$850,000**Artist and Song**

Addison - It's Only A Matter Of Time
 An Emerald City - Qing Song
 Anika Moa & Opshop - Beside You
 Annabel Fay - Home
 Antiform - Crash
 Arms Reach - Stop Talking, Start Dancing
 Audio Empire - Paper Soldiers
 Autozamm - Drama Queen
 Bang! Bang! Eche! - 4 To The Floor
 Bionic Pixie - Quit Breathing
 Boh Runga - Be Careful
 Boh Runga - Evelyn
 Boh Runga - Names In The Sand
 Boh Runga - Starfish
 Bruce Conlon - City That Never Sleeps
 Bruce Conlon - Night & Day
 Cairo Knife Fight - Come Home To Me
 Charlie Ash - Goodboy
 Cobra Khan - Graze The Earth
 Cobra Khan - Liquid Separation
 Cobra Khan - Shutter
 Cobra Khan - Walk Through Fire
 Coco Solid - Turtle Pizza Cadillacs
 Collapsing Cities - In The Valley
 Collapsing Cities - Tazers
 Computers Want Me Dead - We Walk In Circles
 Crashpolitic - Golden Dream
 Cut Off Your Hands - Happy As Can Be
 Cut Off Your Hands - Let's Get Out Of Here
 Cut Off Your Hands - Turn Cold
 Dave Dobbyn - Wild Kisses Like Rain
 David Dallas - Indulge Me
 David Dallas - Little More Time

Artist and Song

dDub - We Are The Ones
 Dei Hamo - Body Language
 Dei Hamo - Hold U Down
 Dei Hamo - Lyka Teen
 Deja Voodoo - Girls With Guitars
 Deja Voodoo - Punisher
 Devolo - Too Shy
 Dimmer - Cold Water
 Dimmer - Degrees Of Existence
 Doppler - Oblivion
 Elemeno P - Anna Don't Let Go
 Ethical - Tied Up Part 2
 False Start - I Come From A Place
 False Start - I Will Not Forget
 False Start - Veins
 Falter - Can We Save Yesterday
 Falter - Seconds Of July
 Fur Patrol - Hidden Agenda
 Fur Patrol - Little Fists
 Goldenhorse - Saying My Name
 Goodnight Nurse - Lay With Me
 Greg Johnson - I Got Opinions
 Haylee Fisher - Butterflies
 House Of Shem - Thinking About You
 Inverse Order - Quell
 Ivy Lies - I Lie Awake
 J Williams - Blow Ya Mind
 J Williams - Ghetto Flower
 J Williams - Set It Off
 J Williams - Why
 J Williams featuring Lavina Williams - Stand With You
 Jonny Love - My Sympathy
 Jonny Love - Take Me Home

Artist and Song

Jonny Love - The Last Day Of June
 Katchafire - Doesn't Anybody
 Kids Of 88 - My House
 Kids Of 88 - Sugar Pills
 Kidz In Space - Down Time
 Kidz In Space - Lose My Cool
 Kingston - I'll See The World
 Kirsten Morrell - Cherry Coloured Dreams
 Ladi6 - Dark Brown
 Ladi6 - Give Me The Light
 Lawrence Arabia - Apple Pie Bed
 Like You Crazy - Night Rider Side Kick
 Like You Crazy - Touch Me
 Little Bushman - Big Man
 Luger Boa - I Wanna Girlfriend
 Luger Boa - On My Mind
 Luke Buda - Weekend Dad
 Luke Thompson - Look The Other Way
 Luke Thompson - Satellites
 Lydia Cole - Tonight
 Mareko - Them Eyes
 Midnight Youth - All On Our Own
 Midnight Youth - Golden Love
 Midnight Youth - Learning To Fall
 Minuit - 25 Bucks
 Minuit - Aotearoa
 Motocade - Commandeering
 Motocade - Flying Saucer
 Motocade - Oldest Trick In The Book
 Mumsdollar - Catch Me If You Can
 Nat Rose - Reporua
 Nathan King - Eyes For You
 Nathan King - The Saddest Thing

NZ Music videos

Artist and Song

Nesian Mystik - Mister Mister
 Nesian Mystik - R.S.V.P.
 Opensouls - Hold You Close
 Opshop - Smoke & Mirrors
 Over The Atlantic - Drama
 Pistol Youth - In My Eyes
 Pluto - Snake Charmer
 P-Money - Angels
 P-Money - Everything
 P-Money - Feel Good
 PNC - Bazooka Kid (Ooh Baby)
 PNC - Tonight
 PNC featuring Julie Ta'ale - Take Me Home
 Reb Fountain - January's Well
 Recloose - Catch A Leaf
 Rhian Sheehan - Part 3
 Salmonella Dub - Freak Local
 Samuel Flynn Scott - All My Dreams
 Sarah Brown - Winter With You
 Savage - Hot Like Fire
 Savage - I Love The Islands
 Savage - Wild Out (Chooohooo)
 Sidekicknick - Should've Could've Would've
 SJD - Baby You're Oh So

Artist and Song

SJD - No Telling Where
 Sleepy Kid - Summer Skies
 Smashproof - Brother
 Smashproof - It's Friday
 Smashproof - Ordinary Life
 Sola Rosa featuring Bajka - Humanised
 Sola Rosa featuring Iva Lamkum - Turn Around
 Solstate - Rise
 Solstate - Turn The Other Way
 State Of Mind featuring Elitia Clarke - Butterfly Effects
 State Of Mind featuring Tiki - Kinetic
 State Of Mind featuring PNC - City On Fire
 Streetwise Scarlet - In The City Where The Devil Sleeps
 Streetwise Scarlet - Take Me Home
 Sweet & Irie - Jenny
 Sweet & Irie - Sweet & Irie
 Tha Feelstyle - Sometimes When It Rains
 The Black Seeds - Come To Me
 The Black Seeds - Make A Move
 The Brunettes - The Rollerskate Song
 The Checks - Back Of The Restaurant
 The Checks - Disco Thump
 The Checks - Til The Dance Is Over

Artist and Song

The Datsuns - Cruel Cruel Fate
 The Datsuns - Human Error
 The Datsuns - So Long
 The Earlybirds - Runaway
 The Exiles - ER
 The Feelers - Beautiful Feeling
 The Feelers - Whoever Said
 The Mint Chicks - Don't Sell Your Brain Out
 The Mint Chicks - Hot On Your Heels
 The Mint Chicks - I Can't Stop Being Foolish
 The Mots - It's Too Hard
 The Naked & Famous - Birds
 The Tutts - All Over Town
 The Tutts - Grow Up
 The Tutts - Odyssey
 These Four Walls - Sweet December
 Tiki featuring P Digsss - Faded
 Timmy Schumacher featuring Jason Kerrison - Sunrise
 Trei - Lead Me On
 Trigger Theory - A Soft Farewell
 Upper Hutt Posse - Ka Whawhai Tonu Matou
 Vince Harder - Lyrical Love
 Vince Harder - Without You
 With Hope - Feels Like Falling

Appendix 4: Music promotion

Music promotion: New Zealand	NZ On Air funding	Music Promotion: International	NZ On Air funding
Hit Discs - Iwi Hit Disc	35,229	International liaison	119,739
Hit Discs - Kiwi Hit Disc	33,552	Radio shows	14,811
Promotions - Advertising	33,355	Representation	123,515
Promotions - Fresh NZ Music	16,021	Trade fairs	192,125
Promotions - NZ Music Awards	180,000	Trade publications	102,150
Promotions - NZ Music Month	5,000	Samplers	132,723
Promotions - kiwihits.co.nz	17,156	Digital	9,832
Promotions - Radioscope	6,000	International Visitor Programme	13,057
Plugging - Pluggers and support	244,076	Total Music Promotion: International	\$707,952
Plugging - Pluggers promotions	79,313		
Total Music Promotion: New Zealand	\$649,702		

Appendix 5: Digital and Archiving funding

Archiving

Activity	Agency	NZ On Air funding
Television Programmes Archived and Preserved	NZ Film Archive	740,000
Radio Programmes Archived and Preserved	Sound Archives/Ngā Taonga Kōrero	600,000
Total Archiving		\$1,340,000

Digital strategy

Programme or activity	Producer	NZ On Air funding
Digital Content Partnership Fund		
<i>Rattle Ya Dags</i>	Two Heads	164,997
<i>Reservoir Hill</i>	KHF Media	306,143
<i>My Calendar Project</i>	My Calendar Project	513,000
<i>The-hub-tv</i>	Taylor-made Media	85,258
Funds remaining		416
Total Digital Content Partnership Fund		\$1,069,814*
NZ On Screen	NZ On Screen Trust	1,200,000

* Funding of \$69,814 from previous years is included

Appendix 6: Māori broadcasting

Programme name	Genre	Broadcaster	Producer	Hours	NZ On Air funding
<i>Hip Hop High</i>	Arts & Culture	TV2	Black Inc Media	3.00	495,925
<i>The Great Land Debate</i>	Arts & Culture	MTS	Māori Television Service	2.00	90,497
<i>I Am TV 2009</i>	Children	TV2	Television New Zealand	35.00	1,445,338
<i>Kaitangata Twitch</i>	Children's Drama	MTS	Kaitangata Twitch Productions	6.50	3,513,146
<i>Brown Bruthas</i>	Comedy	TV3	Cinco Cine Film Productions	3.00	657,816
<i>Aunty Moves In</i>	Documentary/Factual	MTS	Kiwa Media	6.50	444,777
<i>Te Ohaki</i>	Documentary/Factual	TV One	Ponsonby Productions	4.00	549,290
<i>Matariki</i>	Drama	MTS	Filmwork	2.00	392,000
<i>The Volcano</i>	Drama	MTS	Whenua Films	2.00	400,000
<i>Mokai (development)</i>	Drama	TV2	M1 Productions	1.50	20,000
<i>Nights In The Gardens Of Spain</i>	Drama	TV One	Cinco Cine/Conbrio	1.50	1,395,827
<i>Pukana subtitles 2009</i>	Special Interest	TV3	Cinco Cine Film Productions	N/A	71,639
Television total				67.00	\$9,476,255

Radio

Programme name	Genre	Broadcaster	Producer	Hours	NZ On Air funding
<i>Paakiwaha</i>	Current Affairs	Waatea, Access, Iwi	UMA Broadcasting	96.00	75,000
<i>Te Puutake</i>	Youth Music	Waatea, Access, Iwi	Stretchmark Productions	50.00	133,500
Radio total				146.00	\$208,500

Music

Funded activity	Genre	Output	NZ On Air funding
Iwi Hit Disc	4 volumes	40 tracks	35,229
Music Videos	11 videos featuring 8 Māori artists	11 videos	55,000
Music Recordings	2 Albums, 1 New Recording and 3 Radio Hits grants	6 grants	125,000
Music Radio shows	<i>The Source</i> Stretchmark Productions for Flava FM	26 hours	50,000
NZ Music total			\$265,229

Note: Not including Māori content on funded stations (eg. Radio New Zealand, Access radio) or Māori stories included in long-running series such as *What Now?*, *Country Calendar*, etc.

Directory

Members

Neil Walter	of Wellington	Chair
Edie Moke	of Lyttelton	Deputy Chair
Paul Smith	of Auckland	
Nicole Hoey	of Auckland	
Michael Glading	of Auckland	
Murray Shaw	of Christchurch	

Staff

Jane Wrightson	Chief Executive
Anita Roberts	Personal Assistant to CEO
Anna Cottrell	Project Advisor (part time)
Emma Westwood	Communications Advisor (part time)
Brendan Smyth	NZ Music Manager
David Ridler	Assistant NZ Music Manager
Glenn Usmar	Television Manager
Naomi Wallwork	Legal Affairs Executive
Teresa Tito	Executive Assistant Television
Keith Collins	Community Broadcasting Manager
Wayne Verhoeven	Chief Financial Officer
Hui-Ping Wu	Accountant
Christine Westwood	Finance & Administration Assistant (part time)
Trish Cross	Receptionist/Administrator (shared with BSA)

Office

2nd Floor, Lotteries Building	Apartment B1
54-56 Cambridge Terrace	One Beresford Square
PO Box 9744	Newton
Wellington	Auckland
New Zealand	New Zealand

Auckland office (NZ Music)

T: +64 4 382 9524	T: +64 9 377 2033
F: +64 4 382 9546	F: +64 9 377 2085

E: info@nzonair.govt.nz

W: www.nzonair.govt.nz

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Kaitangata Twitch
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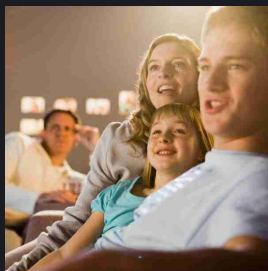
Te Pa for TV One



Radio New Zealand



Outrageous Fortune series 6 for TV3



This Is Not My Life for TV2



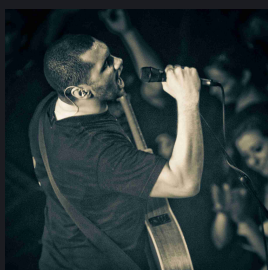
11 community access radio stations



Tagata Pasifika for TV One



C4's Decent Exposure will unearth
more fresh NZ music



New Opshop album in 2010



What's Really In Our...? for TV3



Fifty Years of Television in NZ
for Prime TV



Artsville - A Gallery Without Walls
for TV One

