

Annual Report 1996/97 Showcase National Radio

What Now? Plains FM Mai Time



Radio Archives

Praise Be Counting The Beat Young Farmer Of The Year

Print Disabled Radio Tagata Pasifika Country Calendar

Ice TV Samoan Capital Radio Journey To Arras

Television Archives Work Of Art



NZ Music Videos Inside New Zealand

Rock Your Radio Extreme Close Up



Kiwi Hit Disc In The Deep End Radio 531pi

Letter To Blanchy Remote Transmission Coverage

McCormick Concert FM Young Entertainers Rampage

You & Me Asia Dynamic New Zealand Wars



Pio! Market Forces Tasman Bays Access Radio



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The central place of broadcasting in our society makes it crucial that New Zealand's identity and culture are represented there. We must hold on to the opportunity to express our own ideas, speak in our own idioms, tell our own stories, sing our own songs, reflect on our own society and give shape to our own vision of the world.

Chairman's Overview



David Beatson

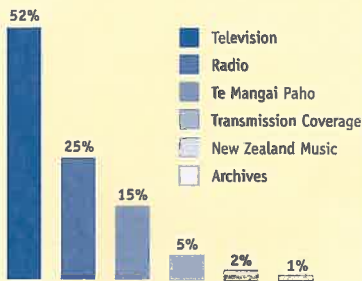
NZ On Air is working to ensure that there is a strong presence of local content on New Zealand television and radio.

We do this by collecting the Public Broadcasting Fee and using it to purchase the core services laid out in the Broadcasting Act - funding programmes for radio and television which reflect New Zealand identity and culture, promote Maori language and culture and provide for special interest audiences; funding transmission coverage where it is not commercially viable; and preserving radio and television programmes which are of historical interest.

As a result of the funding provided this year, the public will see NZ On Air in major documentary series on television like *Inside New Zealand* and *View From The Top* about Sir Edmund Hillary's exploits; in drama and comedy shows like *Greenstone* and *Market Forces*; in variety shows like *Showcase* and *Young Entertainers*; in children's programmes like *What Now?* and *You & Me*; in arts programmes like *Work Of Art*; and in programming for youth like *Ice TV* and music videos. The public will continue to hear NZ On Air in National Radio and Concert FM, in access radio and in comedy shows like *Starship Cortina* and music shows like *Counting The Beat* and *un-chart-ed* on commercial radio and student radio.

This year, NZ On Air funding for broadcasting was \$86.5 million which was applied in the following way -

APPLICATION OF BROADCASTING FUNDING



NZ On Air's support of local programming has a significant impact on the amount of local content on both television and radio. This is particularly so in television where over 30% of the cost of all local programming on TV One, TV2 and TV3 is NZ On Air-funded.

However, notwithstanding this support, the amount of local programming on television has declined in recent years - down to 19%. More television channels competing for a finite advertising dollar means local programming is in danger of declining further as television channels opt for cheap overseas programmes.

The NZ On Air model is designed to meet the nation's need for local programming. New Zealand may not be able to achieve (or even afford) the high levels of local programming achieved in Australia (55%) or on

the BBC (90%). In the future it will be necessary either to increase the Broadcasting Fee or to provide other sources of funding if NZ On Air is to maintain and increase the level of local content in broadcasting.

The increasing pressure on the funds available for local television production from advertising revenue and the Broadcasting Fee is reflected in some sobering analysis undertaken by NZ On Air of local content in the schedules broadcast by the country's three major networks in 1996. The schedules contained a total of just over 5,000 hours of locally-produced programmes - about the same amount as we saw in 1995.

However, 1,000 of those hours were repeats of previously broadcast programmes - and the level of repeat broadcasts in 1996 was more than 20% higher than the previous year. The pool of local content on New Zealand television is beginning to stagnate through lack of replenishment.

COLLECTING THE BROADCASTING FEE

Maximising revenue from collecting the Broadcasting Fee is essential if NZ On Air is to carry out its functions under the Broadcasting Act and to deliver quality television programmes and radio services to the public.

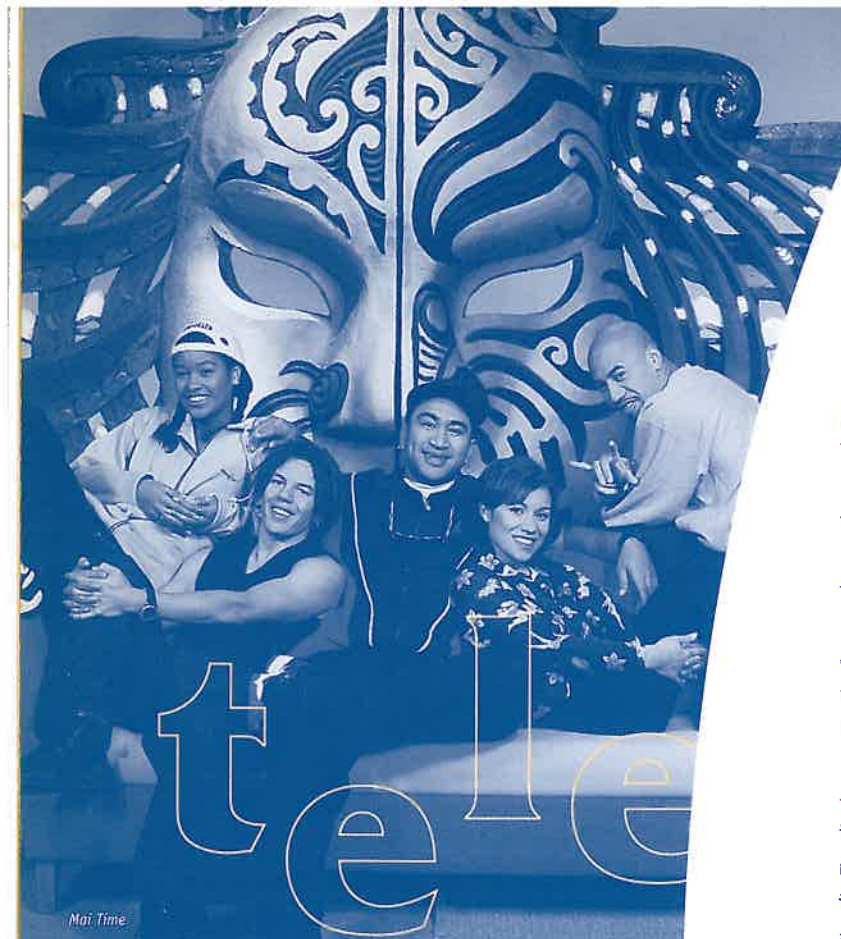
This year, we achieved our revenue targets. Gross income from Fee billings was \$96.1 million compared with \$95.9 million last year and the number of Fee accounts is now 1.097 million compared with 1.075 million last year.

The costs of collecting the Fee increased this year - up by 2.8% - as a result of stepping up the effort this year to recover historical debt. At year's end, an additional \$1.5 million of overdue Broadcasting Fees had been recovered.

The cost of collecting the Broadcasting Fee is currently \$8.74 per Fee payer account which compares favourably with the cost of collecting other similar taxes and levies such as motor registration (\$12.82) and ACC levies collected by the IRD (\$9.81).

Over the last eight years, NZ On Air has been able to increase the level of Fee billings by 30% from 848,000 to 1.097 million. This has increased the income from gross Fee billings from \$81.9 million in 1989/90 to \$96.1 million this year.

These are encouraging results but there is a limit to how far NZ On Air can go to maximise revenue from Fee collection. Compliance is close to the realistic ceiling. Without an increase in the \$110 Fee, purchasing power will be eroded and our ability to effectively carry out the tasks with which NZ On Air is charged under the Broadcasting Act will be compromised.



Mai Time



The Topp Twins



Young Entertainers

tele

TELEVISION

Television is how most of our customers - the Broadcasting Fee payers - know us. Funding New Zealand programmes on television is the major part of NZ On Air's business - 52% of expenditure in 1996/97 translating into 775 hours of programmes funded during the year across all the programme genres.

Local content is NZ On Air's business but so is diversity of local content. Ensuring that a diverse range of New Zealand programming remains a feature of the main television schedules is what drives NZ On Air's work in television.

As in past years, NZ On Air has put the emphasis on three genres - documentaries, drama programmes and programmes for special interest audiences - women, children, people with disabilities and minorities, including ethnic minorities. These are genres emphasised in the Broadcasting Act. They are also the "endangered species" in a commercially-driven television environment.

This year, documentary hours were up on target - 99 hours compared with 66 hours in the budget for the year. Children's hours were also up on target (from 374 to 410) but drama hours were down (72 down to 62). Fluctuations in genre targets occur during the year as different ideas and opportunities surface.

A number of exciting projects have been funded including the ambitious period drama *Greenstone* and the detective thriller *Duggan*, both set to screen on TV One in 1998.

In its funding, NZ On Air attempts to provide something for all interests and tastes and New Zealanders have responded by watching and enjoying the programmes. A full list of the television programmes that NZ On Air has funded this year is given on pages 27 - 29. The variety talent quest *Showcase* was a winner with audiences as was the sitcom *Letter To Blanche* and a variety of quality documentaries.



e w i s i o n



TOP TEN NZ ON AIR-FUNDED PROGRAMMES

TITLE	VIEWERS	GENRE
Showcase	727,300	Variety
Letter To Blanche	640,700	Comedy
Kiwiana	616,200	Documentary
Shelly Has A Baby	615,300	Documentary
Billy T James: A Daughter's Story	588,300	Documentary
Skellerup Young Farmer	585,400	Special Interest
A Summer Place	573,600	Documentary
McCormick	555,500	Documentary
Jonah Lomu Superstar (R)	549,200	Documentary
Beyond A Joke	528,900	Documentary

Source: AC Nielsen-McNair. Programmes screened between 1 July 1996 and 30 June 1997. Series episodes are averaged across the series.

But NZ On Air does not only fund prime time programmes like these. Over 33% of the funding for television programmes (\$15 million) went to support children's programmes such as *What Now?* and *You & Me*, special interest programmes such as *Asia Dynamic* and *Praise Be* and to support the Teletext subtitling services to people with hearing difficulties.



NATIONAL RADIO & CONCERT FM

National Radio and Concert FM are core investments in NZ On Air's efforts to meet its public service objectives in the field of radio broadcasting. Notwithstanding the stresses imposed this year by change - both internally through organisational remodelling and reshaping the schedule and externally through the loss of Broadcasting House and the need to resite - National Radio and Concert FM continued to make excellent quality programmes for a large audience.

This was the first full year that Radio New Zealand has worked to the charter laid out in the 1995 Radio New Zealand Act. The charter challenges Radio New Zealand to provide "... innovative, comprehensive and independent broadcasting services of a high standard ..."

NZ On Air surveys confirm that the audience certainly agrees that the high quality services are being maintained - 83% of the audience says that standards have remained constant or have improved on National Radio and 83% believe the same is true of Concert FM.

The 1997/98 funding year will be the last under the current three-year funding contract. Through 1997, NZ On Air and Radio New Zealand will be working on a funding agreement for the period beyond 30 June 1998. That work will concentrate on two main issues - what can Radio New Zealand do to enhance the range and quality of the services in line with the Radio New Zealand charter and the needs of the audience and what will it cost to enhance and improve the services in these ways so that the company is better able to fulfil the terms of the charter and better able to help NZ On Air meet its responsibilities as defined by the Broadcasting Act.



National Radio

ACCESS RADIO & PACIFIC ISLAND RADIO

No new access radio stations joined the stable of eleven current operators in 1996/97. This was not for want of interest but rather was the result of budget constraints at NZ On Air's end.

NZ On Air has been funding access radio for eight years now and in that time, the number of stations has more than doubled from the four on air in 1989 to eleven today. In that time, the funding policy developed in 1989 has remained largely unchanged.

In 1997, NZ On Air undertook a major review of its access radio policy. The review was carried out by Brian Pauling of the Christchurch Polytechnic who has both a thorough knowledge and firsthand experience of access radio as one of the architects of Plains FM, one of the leading lights of access radio. He had two jobs: to evaluate the performance of existing access radio stations and to put the NZ On Air funding policy under the microscope.

At year's end, the review was finished and a comprehensive report was being made ready for release. The review was affirmative but critical in a constructive way, providing the basis for some real advances in access radio policy and practice in the future.

Pacific Island broadcasting has also been the subject of review, this time by the Ministry of

Commerce and the Ministry of Pacific Island Affairs. At year's end, the Government was still considering what to do as a result of the review. In the meantime, NZ On Air's flagship Pacific Island radio services - Radio 531pi in Auckland and Samoan Capital Radio in Wellington - continued to offer quality Pacific Island programming in areas of greatest Pacific Island population.



Plains FM

RADIO PROGRAMMES

Commercial radio commands a big share of the radio audience across the country - roughly 70% of the people using radio are using one of the 150 or so commercial radio stations currently on air. Finding ways of working with commercial radio to deliver programmes that are close to NZ On Air's statutory heart - for example, drama and comedy and youth radio programmes - has been a focus this year.

NZ On Air has already had some success with syndicated commercial radio shows. The comedy serials, *Starship Cortina* and *The Caffeine Comedy Hour* (and its successor, *News In Briefs*) have been playing on something like 50 radio stations across the country for two years now and this year, the youth magazine and issues-based radio show, *Rampage*, was a Radio Awards finalist.

This fruitful partnership with commercial radio looks set to flourish in the coming year. In early 1997, NZ On Air called for programme ideas for the new funding year - again, concentrating on drama, comedy and youth - and flushed out some fresh and interesting projects which offer the potential to replace tired old imported drama and comedy shows on commercial radio.

The enthusiasm and commitment of major commercial radio players like the Radio Broadcasters Association and the Newstalk ZBs have been very encouraging.

MAORI BROADCASTING

NZ On Air's major commitment to Maori broadcasting is delivered through Te Mangai Paho, the separate and independent Maori broadcasting funding agency. Te Mangai Paho concentrates on the promotion of Maori language and culture for the Maori audience and in 1996/97, 14.4% of net Broadcasting Fee income - \$12.6m - went to the agency to support Maori broadcasting initiatives - Maori radio stations, Maori language programmes on television, and more.

But NZ On Air's commitment to Maori broadcasting goes further than this. Doing what we can to ensure better representation of Maori and Maori interests in mainstream television and radio programming is a key goal. Examples on television include TV2's *Mai Time* and TV3's *Koina Te Korero* Maori vignettes. On radio, National Radio offers *Mana News*, *Whenua!* and *Mauri!* In New Zealand music, the proposed Iwi Hit Disc and the Kool To Korero language disc will play their part alongside the work of artists like Emma Paki, Dam Native and DLT who feature regularly in NZ On Air music videos and mainstream Kiwi Hit Disc compilations.

These projects increase Maori presence in the mainstream and present Maori language, culture and issues in regular programming.



Fresh FM

10

NEW ZEALAND MUSIC

Getting more New Zealand music played on radio and television remains an important NZ On Air goal. Music videos, hit discs, radio shows and radio hits incentives give record companies and broadcasters the tools to play their part.

This year, the tools included 101 music videos, a host of radio shows on commercial radio and student radio, 43 Radio Hits airplay successes and six volumes of Kiwi Hit Disc. This year also, the hit disc stable was expanded - Kiwi Hit Disc was joined first by the five-volume Kiwi Gold Disc classic hits compilation and then by the Indie Hit Disc series, new music with an alternative edge to it, providing a bridge between student radio and commercial radio.

Commercial radio airplay remains a challenge. This year, NZ On Air joined with the radio industry, record companies and music industry agencies like APRA to form the Kiwi Music Action Group (Kiwi MAG). The Kiwi MAG partners' brief is to co-operate to promote airplay for New Zealand music on commercial radio. In April 1997, Kiwi MAG promoted the first radio-wide New Zealand music week. Radio stations from one end of the country to the other joined in, giving New Zealand music unprecedented profile on air.

It has been suggested that the problem of New Zealand music content on radio would be solved by setting up a youth radio network like Australia's ABC-funded Triple J network. However, there are already about 40 radio stations in the country directed at and successful in attracting the youth audience - both commercial radio and student radio stations. Commercial radio is likely to continue to command the biggest audience share across all ages and it is critical that New Zealand music is well represented there. Any plans

to develop a youth radio network should not be at the expense of efforts to promote the presence of New Zealand music on mainstream commercial radio.

COVERAGE

It is important that as many New Zealanders as possible can see and hear the programmes made with the help of their Broadcasting Fee. Commercial imperatives will drive commercial broadcasters to maintain and expand coverage but in a large number of small communities, television and radio services would probably not be available without the Broadcasting Fee.

About 35,000 New Zealanders in rural and thinly populated areas benefit from subsidies to get TV One and TV2 signals into their homes. This is an expensive exercise - the annual subsidy per household exceeds the annual Broadcasting Fee that those households pay.

In time, new technologies such as satellite will overcome radio and television coverage obstacles and get good quality signals into every nook and cranny. NZ On Air is keeping a close eye on satellite developments, looking for opportunities that will provide a cost-effective solution.

Satellite has already given NZ On Air an answer to a perennial coverage problem in radio. National Radio's main trunk transmission system reaches about 96% of the population but, still, 4% has been missing out. The cost of reaching this last 4% has always been a stumbling block.

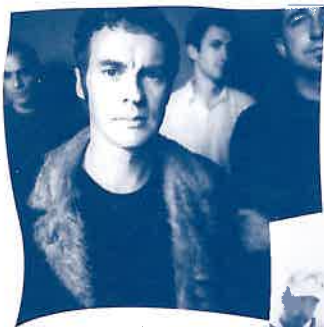
This year, however, a satellite solution became a reality. NZ On Air has developed a scheme to help communities of any size to get their own National Radio service.

The scheme is based on local community-owned and operated FM transmitters fed by a satellite signal. While the community will pay for the local relay facility, NZ On Air will pay for the annual satellite feed, putting the cost within the reach of most of the communities that are currently missing out on National Radio. Twizel, Te Anau, Te Kuiti, even communities as tiny as Otematata in the Waitaki Valley are gearing up to take advantage of this low-cost but high-tech opportunity.

NZ On Air has developed a scheme to help communities of any size to get their own National Radio service.



Strawpeople



The Mutton Birds



DLT & Che Fu



Shihad

ARCHIVING

Historically, the preservation of the nation's broadcasting heritage has been managed by the state broadcasters - TVNZ in the case of television programmes and Radio New Zealand in the case of radio programmes. This arrangement has served the country well in many respects but it has its downsides.

The role and values of an archive and those of a broadcaster's production library are not always the same. NZ On Air's job is to fund the archiving of programmes "... likely to be of historical interest in New Zealand ..." NZ On Air's archive funding is not intended for production libraries to support broadcasters' programming needs.

In 1996/97, NZ On Air carried out a review of its archiving policy. The purpose of the review was to define more clearly what broadcasts or programmes should be preserved, for whom, for what purpose and in what format.

As a result of the review, established archives were invited to tender to provide core archiving services - specifically, selection and acquisition services, preservation and public accessibility functions. The separation of archiving and production library functions was a critical consideration.

In the coming year, The New Zealand Film Archive will provide television archiving services with NZ On Air's support and Radio New Zealand will develop the radio archiving function independent of its broadcasting activities.

THE YEAR AHEAD

In July 1997, NZ On Air published its Statement of Intent for the coming year to 30 June 1998. Those interested in NZ On Air's work and interested in an understanding of both past performance and future plans should read the Statement of Intent in conjunction with this Annual Report.

BOARD MEMBERSHIP

During the year, Deputy Chairman Jim Stevenson resigned as an NZ On Air Board member because of work commitments both here and overseas. We will miss his contribution. Jim was one of the architects of broadcasting deregulation in New Zealand and his perspective was always valuable. At year's end, we welcomed Juliet McKee as Jim Stevenson's replacement.

This ends my first full year as NZ On Air Chairman. I would like to thank my colleagues on the Board and the NZ On Air staff for their contribution in ensuring that NZ On Air achieved its objectives during the year. I would also like to thank the Hon Maurice Williamson, the Minister of Communications, for his support in ensuring that our

culture and identity have a significant presence on our airwaves.



The NZ On Air Board from left to right: David Beatson, Trish Stevenson, Barbara Stewart, Pamela Meekings-Stewart, Roger Horrocks

David Beatson
Chairman

financial statements

Financial Statements

Management Statement

for the year ended 30 June 1997

The management of the Broadcasting Commission (NZ On Air) is responsible for the preparation of these financial statements and the judgements used herein. The management of NZ On Air is responsible for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial reporting.

In the opinion of the management, these financial statements fairly reflect the financial position and operations of NZ On Air for the year ended 30 June 1997.



David Beatson
CHAIRMAN



Chris Prowse
CHIEF EXECUTIVE

24 September 1997

Statement of Accounting Policies

for the year ended 30 June 1997

The following accounting policies have been applied in the preparation of the financial statements.

REPORTING ENTITY

The Broadcasting Commission (NZ On Air) was established by the Broadcasting Act 1989. The functions and procedures of NZ On Air are set out in the Broadcasting Act. The financial statements are prepared in accordance with the First Schedule of the Broadcasting Act and the Public Finance Act 1989. The financial statements cover the following activities of NZ On Air:

- Collection of the Public Broadcasting Fee; and
- Allocation of funds to:
 - television and radio broadcasting;
 - television and radio non-commercial transmission coverage;
 - television and radio archives; and
 - administration and consultation.

MEASUREMENT BASE

The measurement base adopted is that of historical cost.

ACCOUNTING POLICIES

The following accounting policies which materially affect the measurement of the financial performance, financial position, cashflows, commitments and contingencies have been applied:

- **Accounts receivable**
Accounts receivable are shown at their estimated net realisable value after allowing for doubtful debts.
- **Fixed assets**
Fixed assets are stated at cost less accumulated depreciation. Provision for depreciation is calculated on a straight line basis to write down the cost of the assets by equal instalments to an estimated residual value at the end of the economic life of the asset.

Computer equipment	3 years to a nil residual value
Office equipment	5 years to a nil residual value
Furniture and fittings	6 years to a nil residual value
Leasehold alterations	6 years to a nil residual value
- **Goods and services tax (GST)**
The financial statements have been prepared exclusive of GST.
- **Taxation**
NZ On Air is exempt from income tax in accordance with Section 51 of the Broadcasting Act 1989.
- **Treatment of the allocation of funds**
Where a commitment is made against the current year's income, the allocation of funds to broadcasting projects is treated as expenditure in the year the commitment is made. The liability arising from the commitment is reduced as the funds are advanced according to the funding agreement.
- **Cash, bank and short term deposits**
These investments are recorded at cost.
- **Public Broadcasting Fee**
Income from the Public Broadcasting Fee is accounted for at the time the invoice is issued. This is based on the Broadcasting (Public Broadcasting Fees) Regulations 1989 which establishes the Fee payer's liability as being payable in advance.
- **Income from broadcast production funding**
Where NZ On Air is entitled to income as part of its terms and conditions of providing funding, such income is only recognised as and when the income is received.
- **Financial instruments**
NZ On Air is party to financial instrument arrangements including cash and bank, short term deposits and accounts receivable as part of its everyday operations, which are recognised in the financial statements. Revenue and expenditure in relation to all financial instruments are also recognised in the financial statements.
- **Commitments**
The allocation of funds against future years' income is recorded in the Statement of Commitments. Other future payments are also disclosed as commitments at the point a contractual obligation arises, to the extent that there are equally unperformed obligations.
- **Contingent liabilities**
Contingent liabilities are disclosed at the point at which the contingency is evident.

CHANGES IN ACCOUNTING POLICIES

There have been no changes in accounting policies. All policies are applied on a basis consistent with those used last year.

Statement of Financial Performance

for the year ended 30 June 1997

	Notes	Actuals 1997 (\$000)	Budget 1997 (\$000)	Actuals 1996 (\$000)
INCOME				
Public Broadcasting Fee	1	93,445	96,000	90,590
Other income	2	3,898	460	3,836
Total income		\$97,343	\$96,460	\$94,426
OPERATING EXPENDITURE				
Public Broadcasting Fee collection costs	3	9,582	8,800	9,318
Administration and consultation	4	1,595	1,674	1,460
		\$11,177	\$10,474	\$10,778
FUNDING EXPENDITURE				
Television	5	45,101	43,200	44,928
Radio	6	21,967	22,072	22,138
Te Mangai Paho		12,555	12,600	11,486
Transmission coverage	7	4,278	5,300	3,306
New Zealand music	8	1,930	1,898	1,835
Archives	9	644	916	1,042
		\$86,475	\$85,986	\$84,735
Total expenditure		\$97,652	\$96,460	\$95,513
Net surplus (deficit) for the year	10	(\$309)	-	(\$1,087)

Statement of Movements in Equity

for the year ended 30 June 1997

Retained earnings at 1 July	928	-	1,431
Early childhood television fund	-	-	584
Total equity at the beginning of the year	928	-	2,015
Total recognised revenues and expenses for the period (as above)	(309)	-	(1,087)
Total equity at the year ended 30 June	\$619	-	\$928

The statement of accounting policies and the notes form an integral part of and should be read in conjunction with these financial statements.

Statement of Financial Position

as at 30 June 1997

	Notes	Actuals 1997 (\$000)	Budget 1997 (\$000)	Actuals 1996 (\$000)
CURRENT ASSETS				
Cash and bank	11	2,768	8,500	4,079
Accounts receivable				
- Public Broadcasting Fee	12	28,450	12,400	29,080
- General		97	100	422
FIXED ASSETS				
	13	77	100	95
		<u>\$31,392</u>	<u>\$21,100</u>	<u>\$33,676</u>
CURRENT LIABILITIES				
Accounts payable		1,357	1,100	1,301
Funding liabilities	14	29,416	20,000	31,447
PUBLIC EQUITY				
		619	-	928
		<u>\$31,392</u>	<u>\$21,100</u>	<u>\$33,676</u>

The statement of accounting policies and the notes form an integral part of and should be read in conjunction with these financial statements.

Statement of Cash Flows

for the year ended 30 June 1997

	Notes	Actuals 1997 (\$000)	Budget 1997 (\$000)	Actuals 1996 (\$000)
CASH FLOWS FROM OPERATING ACTIVITIES				
Cash was provided from:				
Public Broadcasting Fee		93,952	108,900	92,544
Interest received		242	460	1,193
Other income received		814	-	672
Goods and services tax (GST)		196	-	171
Cash was applied to:				
Funding advances to broadcasters and programme producers		(85,318)	(92,386)	(96,548)
Payment to suppliers and employees (including Public Broadcasting Fee collection costs)		(11,144)	(10,474)	(10,917)
Interest paid		(21)	-	-
Net cash (outflows)/inflows from operating activities	10	(\$1,279)	\$6,500	(\$12,885)
CASH FLOWS FROM INVESTING ACTIVITIES				
Cash was provided from:				
Short term deposits		-	-	15,570
Cash was applied to:				
Purchase of fixed assets		(32)	-	(11)
Net cash (outflows)/inflows from investing activities		(\$32)	-	\$15,559
Net increase in cash held		(1,311)	6,500	2,674
Opening cash as at 1 July		4,079	2,000	1,405
Closing cash as at 30 June		\$2,768	\$8,500	\$4,079
Actual cash balance is represented by:				
Bank of New Zealand call deposits		2,600	6,500	3,900
Bank of New Zealand current accounts		168	2,000	179
	11	\$2,768	\$8,500	\$4,079

The statement of accounting policies and the notes form an integral part of and should be read in conjunction with these financial statements.

Notes to the Financial Statements

for the year ended 30 June 1997

	1997 (\$000)	1996 (\$000)
1 PUBLIC BROADCASTING FEE INCOME		
Gross Public Broadcasting Fee income	96,136	95,972
Less increase in the provision for doubtful debts <small>NOTE</small>	(2,691)	(5,382)
	<u>\$93,445</u>	<u>\$90,590</u>
<small>NOTE</small> There is an increase in the provision for doubtful debts to allow for Public Broadcasting Fee accounts which have been billed in previous years which may not be collected.		
2 OTHER INCOME		
Writebacks of previous years' commitments which have since been withdrawn or reduced	3,188	2,357
Net interest from deposits	221	808
Share of income from the sale of television programmes	489	670
Other income	-	1
	<u>\$3,898</u>	<u>\$3,836</u>
3 PUBLIC BROADCASTING FEE COLLECTION COSTS		
Direct collection costs	6,030	5,661
Compliance costs	2,592	2,528
Awareness advertising campaign	758	920
Administration	196	202
Depreciation	3	4
Audit fees	3	3
	<u>\$9,582</u>	<u>\$9,318</u>
4 ADMINISTRATION AND CONSULTATION EXPENDITURE		
Personnel costs	614	558
Legal, public relations and expert advice	295	288
Office overheads	224	241
Consultation and research	180	113
Travel and communications	145	121
Commission members' fees	73	62
Depreciation	47	55
Audit fees	17	15
Loss/(Profit) on sale of fixed assets	-	7
	<u>\$1,595</u>	<u>\$1,460</u>

Notes to the Financial Statements continued

5 TELEVISION PROGRAMME FUNDING

	Hours	1997 Funding (\$000)	Hours	1996 Funding (\$000)
Drama	62	15,998	77	13,914
Documentaries	99	9,758	107	9,329
Children & young persons' programmes	410	8,295	391	9,179
Special interest programmes NOTE	204	10,790	247	11,755
Total Production funding	775	\$44,841	822	\$44,177
Plus Development funding		260		751
TOTAL TELEVISION FUNDING		\$45,101		\$44,928

NOTE Annual funding for the Teletext service (\$1,208,000) is included in special interest programmes. However, the programme hours which have Teletext transcriptions are not included in the special interest hours.

6 RADIO

	1997 (\$000)	1996 (\$000)
Radio New Zealand		
National Radio	15,132	15,132
Concert FM	4,268	4,268
	\$19,400	\$19,400
Access/Pacific Island Radio		
Auckland Access Community Radio	150	177
Radio 531pi (Auckland Pacific Island Radio)	125	125
Hamilton Access Radio	144	144
Hawkes Bay Access Radio	90	90
Wairarapa Access Radio	29	30
Print Disabled Radio (Levin)	107	72
Kapiti Coast Access Radio	98	138
Wellington Access Radio	200	212
Samoan Capital Radio (Wellington)	149	149
Tasman Bays Access Radio	185	200
Plains FM (Christchurch)	175	175
Otago Access Radio	138	142
Southland Access Radio	135	135
	\$1,725	\$1,789
Programmes on commercial radio	842	949
TOTAL RADIO FUNDING	\$21,967	\$22,138

Notes to the Financial Statements continued

	1997 (\$000)	1996 (\$000)
7 TRANSMISSION COVERAGE		
Television		
TVNZ's non-commercial transmission coverage	3,878	2,776
Chatham Islands' television service	228	228
Extension of TV3's non-commercial transmission coverage	2	26
Radio		
The Radio Network of New Zealand Limited's non-commercial community station in Te Kuiti	89	143
Other non-commercial community radio transmission	74	83
National Radio and Concert FM transmission extensions	7	50
	<u>\$4,278</u>	<u>\$3,306</u>
8 NEW ZEALAND MUSIC		
New Zealand music on radio	1,425	1,400
New Zealand music videos	505	435
	<u>\$1,930</u>	<u>\$1,835</u>
9 ARCHIVES		
Television		
New Zealand Television Archive (TVNZ)	222	460
The New Zealand Film Archive	-	91
Radio		
Radio New Zealand Sound Archives (including Nga Taonga Korero)	422	491
	<u>\$644</u>	<u>\$1,042</u>
10 RECONCILIATION OF NET CASH FLOWS FROM OPERATING ACTIVITIES WITH THE NET SURPLUS (DEFICIT) FOR THE YEAR		
Reported net surplus (deficit) for the year	(309)	(1,087)
Add non-cash items: Depreciation	50	59
	<u>(\$259)</u>	<u>(\$1,028)</u>
Add (less) movements in other working capital items:		
• Decrease in accounts receivable	955	2,088
• Increase in accounts payable	56	227
• Decrease in funding liabilities	(2,031)	(14,172)
	<u>(\$1,020)</u>	<u>(\$11,857)</u>
Net cash outflow from operating activities	<u>(\$1,279)</u>	<u>(\$12,885)</u>
11 CASH AND BANK		
Cash comprises cash balances held on hand and with New Zealand banks.		
Bank of New Zealand - call deposits	2,600	3,900
Bank of New Zealand - current accounts	168	179
	<u>\$2,768</u>	<u>\$4,079</u>

Notes to the Financial Statements continued

	1997 (\$000)	1996 (\$000)
12 ACCOUNTS RECEIVABLE - PUBLIC BROADCASTING FEE		
Accounts receivable - Public Broadcasting Fee	38,506	36,445
Less provision for doubtful debts	(10,056)	(7,365)
	<u>\$28,450</u>	<u>\$29,080</u>

13 FIXED ASSETS

	Original Cost (\$000)	Accumulated depreciation (\$000)	1997 Book value (\$000)	1996 Book value (\$000)
Furniture & fittings	144	119	25	14
Computer equipment	149	127	22	42
Leasehold alterations	115	104	11	14
Office equipment	52	33	19	25
	<u>\$460</u>	<u>\$383</u>	<u>\$77</u>	<u>\$95</u>

14 FUNDING LIABILITIES

At the time funds are committed against the current year's income to a programme or a particular project the commitment is recorded as a liability and the liability is then reduced as the funds are advanced according to the terms of the funding agreement. Funds are normally paid by instalments to meet the cash flow requirements of the programme or the particular project.

At year end funds had yet to be drawn down for the following activities:

	1997 (\$000)	1996 (\$000)
Television programmes	25,712	27,315
Radio, non-commercial transmission coverage and archives	3,704	4,132
	<u>\$29,416</u>	<u>\$31,447</u>

It is expected that these funding liabilities will all be paid during the next 12 months.

15 FINANCIAL INSTRUMENTS**Credit risk**

Financial instruments which potentially subject NZ On Air to risk consist of cash, bank, short term deposits and accounts receivable. NZ On Air invests funds only with registered banks with satisfactory credit ratings or in Government securities.

Exposure to any one financial institution is restricted in accordance with NZ On Air's treasury policy.

Concentration of credit risk

NZ On Air is not exposed to any concentrations of credit risk.

Fair values

There were no differences between the fair value and carrying amounts of financial instruments as at 30 June 1997.

Credit facilities

As at 30 June 1997, NZ On Air had a credit facility of \$5 million. This facility has been used on rare occasions throughout the year.

Currency and interest rate risk

There is no exposure to currency risk and financial instruments are not interest rate sensitive.

16 RELATED PARTY TRANSACTIONS

NZ On Air is a wholly owned entity of the Crown. The entity enters into a number of transactions with State Owned Enterprises and Crown entities (for example, Television New Zealand Limited, Te Mangai Paho and Radio New Zealand Limited). These transactions are carried out on a commercial and arms-length basis (or as required by Ministerial directions made in accordance with Section 44 of the Broadcasting Act) and do not fall within the intended scope of related party disclosures.

Where a member of the Commission has an interest in an NZ On Air project, this interest is disclosed and the member does not take part in decisions relating to that project.

Statement of Commitments, Contingent Liabilities & Resources

for the year ended 30 June 1997

	1997 (\$000)	1996 (\$000)
STATEMENT OF COMMITMENTS		
Lease commitments		
• Less than 1 year	54	54
• 1 year to 2 years	-	54
	<u>\$54</u>	<u>\$108</u>
Commitments for programme and project funding for future years <small>NOTE</small>		
• Less than 1 year	35,354	38,141
• 1 year to 2 years	1,841	20,267
• 2 years to 5 years	1,026	827
	<u>\$38,221</u>	<u>\$59,235</u>

NOTE Commitments include a commitment for the next two years for possible feature film financing in relation to a joint arrangement with the New Zealand Film Commission and Television New Zealand Limited. The commitment is subject to suitable films being approved by NZ On Air.

STATEMENT OF CONTINGENT LIABILITIES

There were no contingent liabilities at year end.

STATEMENT OF RESOURCES

	1997	1996
Personnel		
Members of the Commission (part-time)	5	6
Staff (full-time equivalents)	11	11

Broadcasting equipment

NZ On Air has purchased equipment at a cost of \$759,306 which is used by Radio New Zealand Limited for National Radio and Concert FM transmission, and by Fifeshire FM, Port FM and Radio Scenicland for the extension of non-commercial community radio coverage. NZ On Air has expensed the cost of this equipment and plans to transfer ownership in the near future to the appropriate entities.

Statement of Objectives & Service Performance

for the year ended 30 June 1997

This statement reports on NZ On Air's performance in relation to the objectives and targets set in its Statement of Intent for the year ending 30 June 1997. Unless otherwise stated, the time of delivery of the service performance targets is for the year ended 30 June 1997.

PUBLIC BROADCASTING FEE COLLECTION

Objective -		Performance Targets		Actual Performance	
<i>To maintain the level of Public Broadcasting Fee compliance and where possible to increase the income from the Public Broadcasting Fee by increasing the level of billings and decreasing collection costs.</i>	Gross Fee income NOTE 1	\$96 million		\$96.1 million	
	Level of compliance (based on 1991 census data)	95%		95%	
	Collection costs NOTE 2	\$8.8 million		\$9.6 million	
	Fee income (net of collection costs)	\$87.2 million		\$86.5 million	

NOTE 1 The actual gross Fee income of \$96.1 million is before deduction of \$2.69 million to increase the provision for doubtful debts.

NOTE 2 Collection costs are \$800,000 over budget for the year ended 30 June 1997. Additional debt collection costs were incurred to reduce overdue Public Broadcasting Fee debtors.

TELEVISION PROGRAMMES

Objective -	Programme Types	Performance Targets		Actual Performance	
		Funded hours	Funding \$million	Funded hours	Funding \$million
<i>(i) To fund a range of New Zealand programmes about New Zealand and New Zealand interests, which meet NZ On Air's responsibilities under the Broadcasting Act, and which would not be provided commercially by broadcasters.</i>	For prime time viewers				
	- Drama	72	\$19.7	62	\$16.0
	- Documentaries	66	\$ 6.6	99	\$ 9.8
	For special interest viewers				
	- Children	374	\$7.7	410	\$ 8.3
	- Ethnic & other minorities	107	\$4.0	117	\$ 4.5
	- Arts & culture	37	\$3.0	73	\$ 4.0
	- Teletext & other disability services NOTE	13	\$2.0	14	\$ 2.2
	Programme development	-	\$0.2	-	\$ 0.3
		<u>669</u>	<u>\$43.2</u>	<u>775</u>	<u>\$45.1</u>

NOTE Annual funding for the Teletext service (\$1,208,000) is included in the actual funding figures. However, the total programme hours which have Teletext transcriptions are not included in the special interest hours.

TELEVISION PROGRAMMES continued

Objective -	Performance Target	Actual Performance
(ii) <i>To research the needs and responses of New Zealand television audiences to ensure that the funded programmes are of benefit to intended audiences.</i>	<p>To ensure that audiences benefit from NZ On Air-funded television programmes by -</p> <ul style="list-style-type: none"> • Requiring producers and broadcasters to explain in their proposals how the programme will meet NZ On Air's statutory objectives; • Obtaining audience viewing results from industry surveys to ensure that expected viewing levels are achieved; and • Where possible, conducting regular research of audience needs for and responses to programmes. 	<p>Achieved. Where it is necessary this has been provided by applicants.</p> <p>Achieved. NZ On Air subscribes to AC Nielsen - McNair's peplemeter weekly survey. Actual viewing levels are monitored from this source.</p> <p>A survey of the television needs of people with disabilities was completed during the year.</p> <p>Research into the broadcasting needs of the youth audience commenced during the year and will be completed in August 1997.</p> <p>A survey of television audience preferences was commenced during the year and is expected to be completed during 1997/98.</p>

NATIONAL RADIO AND CONCERT FM

Objective -	NATIONAL RADIO		Performance Targets		Actual Performance	
	Types of programmes	Broadcast hours per annum	% total annual broadcast hours of 8,760	Broadcast hours per annum	% total annual broadcast hours of 8,760	
<i>To fund the broadcasting services of National Radio and Concert FM on a cost-effective basis, with the flexibility to meet changing audiences needs including those of special interest listeners and to ensure that the funding contract includes conditions that require the services to be maintained at such a level that the audiences continue to consider that they are of a high quality.</i>	News bulletins	930	11.0%	1,029	12.0%	
	Current affairs	1,500	17.0%	1,392	16.0%	
	Magazine	2,000	23.0%	2,015	23.0%	
	Special interest	415	5.0%	436	5.0%	
	Music features - NZ produced					
	- featuring NZ music	25	0.3%	149	2.0%	
	- featuring non-NZ music	475	5.7%	998	11.0%	
	Spoken features - NZ produced	450	5.0%	581	6.0%	
	Drama - NZ produced	150	2.0%	132	1.5%	
	Maori	250	3.0%	233	3.0%	
	Pacific Island	50	0.5%	46	0.5%	
	Total NZ produced programmes	6,245	72.5%	7,011	80.0%	
	Total Other programmes <small>NOTE</small>	2,515	27.5%	1,749	20.0%	
Total National Radio	8,760	100.0%	8,760	100.0%		
Cost National Radio		\$15,132,000		\$15,132,000		

NOTE The increase in the amount of New Zealand produced programmes has resulted in a commensurate decrease in other programmes including imported and continuity programming. Other programmes includes rotate music of which 20.77% was New Zealand music.

NATIONAL RADIO AND CONCERT FM continued

CONCERT FM	Performance Targets		Actual Performance	
	Types of programmes	Broadcast hours per annum	% total annual broadcast hours of 6,570	Broadcast hours per annum
Music	5,855	89.0%	5,977	91.0%
- NZ composition	135	2.0%	140	2.0%
- NZ performance	720	11.0%	700	11.0%
- other	5,000	76.0%	5,137	78.0%
News	315	5.0%	315	5.0%
- Radio New Zealand	180	3.0%	180	3.0%
- BBC	90	1.0%	91	1.4%
- Weather	45	1.0%	44	0.6%
Talk <small>NOTE</small>	400	6.0%	278	4.0%
- NZ produced	200	3.0%	186	3.0%
- other	200	3.0%	92	1.0%
Total Concert FM	6,570	100.0%	6,570	100.0%
Cost Concert FM		\$4,268,000		\$ 4,268,000
Total Cost of National Radio and Concert FM		\$19,400,000		\$19,400,000

NOTE The decrease in talk is a result of Radio New Zealand Limited's strategy to remove non-music related talk programmes from Concert FM (eg, programmes like Artweek, Anthology and Film Show) to National Radio.

Performance Target	Actual Performance
To require National Radio and Concert FM to provide audience research to demonstrate that the services have been maintained at such a level that the audiences continue to consider that they are of a high quality.	<p>It has been agreed with Radio New Zealand Limited that NZ On Air's CM Research monitor of audience perceptions of the quality of the National Radio and Concert FM services will provide a sufficient measure of quality for the current year.</p> <p>The August 1996 CM Research report showed that 83% of both National Radio and Concert FM listeners surveyed believe that the quality of these radio services has either been maintained or has improved. NZ On Air also monitors the performance of National Radio and Concert FM by using the regular industry audience surveys carried out by Research International NZ Limited.</p> <p>In the latest industry audience surveys conducted in February to April 1997 in five markets (Auckland, Waikato, Wellington, Christchurch and Dunedin) both National Radio and Concert FM made small gains in weekly cume audience - National Radio up from 299,400 to 300,000 and Concert FM up from 119,700 to 121,200.</p>

ACCESS/PACIFIC ISLAND RADIO

Objective -	Performance Targets	Actual Performance
<p>(i) To contribute to the costs of maintaining access radio services for a broad range of non-profit community groups including those specified in Section 36(c) of the Broadcasting Act.</p> <p>(ii) To contribute to the costs of maintaining Pacific Island community radio services in areas of greatest Pacific Island population.</p>	<p>1 To continue funding the existing ten access radio stations (in Auckland, Hamilton, Hawkes Bay, Wairarapa, Kapiti Coast/Horowhenua, Wellington, Tasman Bays, Christchurch, Dunedin and Invercargill) which serve communities of 50,000-plus population.</p> <p>2 To continue to ensure that at least 60% of the programmes broadcast by funded access radio stations meet the needs of the groups specified in Section 36(c) of the Act.</p> <p>3 To continue to fund the existing Pacific Island community radio services of Radio 531pi in Auckland and Samoan Capital Radio in Wellington.</p>	<p>Achieved. Annual funding has been provided to ten access radio stations (Auckland, Hamilton, Hawkes Bay, Wairarapa, Kapiti Coast/Horowhenua, Wellington, Tasman Bays, Christchurch, Dunedin and Invercargill) which broadcast to communities with a population of 50,000-plus.</p> <p>Achieved an average of 75%. This information is obtained from returns which the access radio stations complete each quarter throughout the year.</p> <p>Achieved. For the year ended 30 June 1997, NZ On Air has continued to provide funding to Radio 531pi and Samoan Capital Radio.</p>
	Cost \$1,722,483	\$1,724,122

RADIO PROGRAMMES

Objective -	Performance Target	Actual Performance
<p>To provide for the interests of commercial radio audiences by promoting specific programmes which are relevant to NZ On Air's responsibilities under the Broadcasting Act but which are not available on a commercial basis. For 1996/97, the emphasis was on children's programmes and radio drama/comedy.</p>	<p>To fund at least two children's radio series and two New Zealand radio drama series (comprising either plays, comedy or readings) broadcast on networked radio or syndicated on individual stations to achieve the maximum reach across the country.</p>	<p>Achieved. Two radio drama/comedy series have been funded (<i>The Caffeine Comedy Hour (News In Briefs)</i> and <i>Starship Cortina</i>) and four children's series (<i>Rampage</i>, <i>Daisy The Crazy Cow</i>, <i>Electro-World</i> and <i>Ashley's Worlds</i>) have been funded.</p> <p><i>Caffeine (News)</i> and <i>Starship</i> play daily on up to 50 radio stations around the country; <i>Buckeroo</i> (which includes <i>Ashley's Worlds</i>, <i>Daisy The Crazy Cow</i> and <i>Electro-World</i>) plays on 37 stations around the country; and <i>Rampage</i> is currently carried by 20 stations.</p>
	Cost \$949,000	\$842,140

MAORI BROADCASTING

Objective -	Performance Targets	Actual Performance
<p>(i) To comply with the direction from the Minister of Broadcasting pursuant to Section 53L of the Broadcasting Act 1989 to transfer to Te Mangai Paho (Te Reo Whakapuaki Irirangi) 14.4 percent of the Public Broadcasting Fee (net of collection costs).</p> <p>(ii) Where appropriate to promote programming featuring Maori and Maori interests through the general funding of television and radio programming which is of interest to a general audience including Maori.</p>	<p>1 To provide 14.4% of the Public Broadcasting Fee (after deducting collection costs) to Te Mangai Paho to enable it to meet its statutory responsibilities of promoting Maori language and Maori culture through broadcasting.</p> <p>2 Where appropriate to promote programming featuring Maori and Maori interests through the general funding of television and radio programming which is of interest to a general audience including Maori.</p>	<p>Achieved. The Ministry of Commerce is responsible for monitoring the activities of Te Mangai Paho.</p> <p>Achieved. Television funding during the year has been applied to <i>Mai Time</i>, <i>MDC Maori Sports Awards</i>, <i>Pio!</i>, documentaries such as <i>About Face</i>, <i>Ihi Wahine</i> and <i>Toccatas & Taiahas</i>, dramas including <i>Greenstone</i>, <i>Nga Wahine</i> and <i>Queenie & Pete</i>, and a series of vignettes <i>Koira Te Korero</i>.</p> <p>National Radio has continued with its programmes <i>Whenua!</i>, <i>Mauri!</i>, daily news in Maori and <i>Mana News</i> as well as featuring Maori music in the regular playlist. For the year ended 30 June 1997, National Radio has broadcast 250 hours of Maori programmes.</p> <p>Of the 101 music videos funded during 1996/97, 21 videos featured Maori artists.</p>
	Cost (Funding to Te Mangai Paho) \$12,600,000	\$12,555,106 NOTE

NOTE In addition, the cost of promoting productions featuring Maori and Maori interests through NZ On Air's general funding of television, radio and New Zealand music is estimated at \$6.4 million.

NEW ZEALAND MUSIC

Objective -

To fund the broadcast of New Zealand music to provide for the interests of New Zealand youth and to increase the amount of New Zealand music on both radio and television.

Performance Targets

- 1 To encourage an increase in the level of New Zealand music content on the specialist music video shows on national television and on music television as measured by annual surveys of the playlists of the national television music shows and the music channels.
- 2 To ensure that there is at least one regular weekly New Zealand music show on each of the main metropolitan and provincial centre commercial music radio stations and to ensure that there is a range of specialist New Zealand music shows on all six student radio stations.
- 3 To encourage an increase in the level of New Zealand music content on commercial radio on an annual basis as measured by annual surveys of the playlists of the seven barometer radio stations (Mai FM, Radio Hauraki and The Breeze in Auckland, 91ZM and The Box in Wellington, 91ZM in Christchurch and 93Rox in Dunedin).

Cost \$1,897,680

Actual Performance

Achieved. 101 videos have been funded by NZ On Air during the year.

New Zealand music content on the TV2 *New Releases* programme on Saturday mornings averaged 13.1% over the year while content on the TV2 *Chart* programme on Sunday averaged 7.3%. The Sunday programme is a chart-based format and the first half of 1997 was a quiet time for New Zealand music on the charts which affected the result.

Content on Juice Music Television at year end was about 12.5% while 12.8% of the Max TV playlist was New Zealand videos. A spot check of airplay on the Palmerston North channel, Dog TV, during the year showed 14.05% New Zealand music content.

These content levels will provide benchmarks against which to judge future year's results.

Achieved. There are currently four regular New Zealand music shows playing on 20 metropolitan and provincial centre commercial radio stations around the country each week (*Counting The Beat*, *Rock Your Radio*, *Keeping It Kiwi*, *Kiwi Chart Breakdown*).

All six student radio stations are currently carrying regular weekly specialist New Zealand music shows.

Achieved. For the year ended 30 June 1997, 6 volumes of *Kiwi Hit Disc* containing 92 New Zealand tracks were delivered to every radio station in New Zealand and 43 recordings qualified for significant airplay funding via the Radio Hits scheme.

The selection of tracks for *Kiwi Hit Disc* is made in consultation with radio programmers in seven commercial radio stations.

During the year, the newly established Kiwi Music Action Group assumed the responsibility for monitoring New Zealand music content on radio based on a universal census of radio stations being set up by APRA (Australasian Performing Right Association).

NZ On Air decided to use this universal measure instead of the more limited survey proposed in the original performance target. The results of the first universal survey (for the six months 1 January to 30 June 1997) are due for release in August 1997.

\$1,930,259

TRANSMISSION COVERAGE

TELEVISION

Objective -	Performance Targets	Actual Performance
<p>(i) <i>To subsidise the maintenance of the existing coverage of TV One and TV2 by providing a subsidy on a site-by-site basis to the extent to which NZ On Air considers the operation of particular sites to be non-commercial.</i></p> <p>(ii) <i>To maintain the television service to the Chatham Islands.</i></p> <p>(iii) <i>To operate with TVNZ and TV3 schemes to assist, where cost-effective, those communities not receiving TV One, TV2 and TV3 to purchase transmission equipment and to establish new transmission sites to enable them to receive the services.</i></p>	<ol style="list-style-type: none"> 1 Where necessary, provide a subsidy to TVNZ for those sites which are non-commercial in order to maintain TV One's coverage at 99.7% of the population. 2 Where necessary, provide a subsidy to TVNZ for those sites which are non-commercial in order to maintain TV2's coverage at 99.5% of the population. 3 To continue to provide a subsidy to contribute to the costs of operating the Chatham Islands' television service broadcasting a selection of New Zealand television by video and satellite. 4 To continue to operate the joint scheme with both TVNZ and TV3 to assist communities to purchase transmission equipment and establish new transmission sites to have transmission of TV One, TV2 and TV3 in areas where coverage is not commercially viable to the broadcaster. 5 Where NZ On Air subsidises transmission coverage, the broadcaster will make available to the agreed number of potential viewers in the coverage area a signal suitable to provide a received picture quality that conforms to the International Radio Consultative Committee recommended standard R500-4 of PQ3 or better. 	<p>A subsidy has been provided to TVNZ for the year ended 30 June 1997 to ensure that TV One's coverage was maintained at 99.7% of the total population.</p> <p>A subsidy has been provided to TVNZ for the year ended 30 June 1997 to ensure that TV2's coverage was maintained at 99.5% of the total population.</p> <p>Achieved. During the year, a subsidy was received by the Chatham Islands Television & Radio Society to continue to provide a selection of New Zealand television by a combination of video and satellite to the residents of the Chatham Islands. The Chatham Islands Television & Radio Society broadcasts 5 hours a day.</p> <p>Achieved. The joint schemes have continued to be available to communities throughout the year.</p> <p>As at 30 June 1997, TVNZ had achieved all transmission performance standards specified within the funding agreement. This ensured that the signal in the subsidised coverage areas conformed to the International Radio Consultative Committee recommended standard R500-4 of PQ3 or better.</p>
	<p>Cost \$5,076,554</p>	<p>\$4,108,210</p>

TRANSMISSION COVERAGE

RADIO

Objective -	Performance Targets	Actual Performance
<p>(i) <i>To ensure that every community of 1,000 people is served by a primary strength community radio signal.</i></p> <p>(ii) <i>To ensure small and remote communities outside the current National Radio coverage area can access a National Radio signal by making the signal available via satellite.</i></p>	<ol style="list-style-type: none"> 1 To maintain community radio services in Te Kuiti, Murchison, the Mackenzie Country and South Westland to the extent they are non-commercial. 2 To meet the cost of providing the National Radio signal via satellite to community-owned and operated local National Radio relay services. 	<p>Achieved. Community radio services of a signal strength of at least 54Bu V/m have been maintained in Murchison, Te Kuiti, South Westland and the Mackenzie Country.</p> <p>Achieved. During the year, NZ On Air agreed to meet the cost of providing a National Radio signal via satellite to community-owned and operated transmission sites.</p>
	<p>Cost \$274,268</p>	<p>\$170,218</p>

ARCHIVES

Objective -	Performance Target	Actual Performance
<i>To continue to encourage suitable archiving arrangements for television and radio programmes which are likely to be of historical interest in New Zealand.</i>	Where necessary, to provide funding to encourage suitable archiving for television and radio programmes which are likely to be of historical interest in New Zealand.	Achieved. NZ On Air has provided funding for the year to TVNZ's New Zealand Television Archive in Wellington, the Radio New Zealand Sound Archive in Christchurch and Nga Taonga Korero in Auckland.
	Cost \$916,322	\$644,058

CONSULTATION

Objective -	Performance Targets	Actual Performance
<p>(i) <i>To operate an effective two-way communication process (including consultation, research and publications) with Parliament and the users of NZ On Air-funded services (NZ On Air's customers) and broadcasters, programme producers, transmission suppliers, archivists and other suppliers (NZ On Air's suppliers);</i></p> <p>(ii) <i>To inform customers and suppliers of NZ On Air policies, requirements, decisions and results; and</i></p> <p>(iii) <i>To assess the needs of customers by research and consultation.</i></p>	<p>1 Provide Information</p> <p>(i) To publish NZ On Air's 1997/98 Statement of Intent for tabling in Parliament and for issue to the public at the beginning of the financial year.</p> <p>(ii) To publish any new NZ On Air funding policies and guidelines within one month of adoption and to circulate them to all interested groups.</p> <p>(iii) To communicate NZ On Air funding decisions by letter to applicants and by press releases to the general public.</p> <p>(iv) To publish the 1996/97 annual report for tabling in Parliament and for issue to the public within 3 months following the 30 June year end.</p> <p>2 Obtain Feedback</p> <p>(i) To obtain regular audience survey information for television and radio in order to measure audience response to NZ On Air-funded programmes. Survey information to include:</p> <ul style="list-style-type: none"> • Weekly TV programme ratings; and • Metropolitan and provincial radio station surveys. 	<p>Achieved.</p> <p>Achieved.</p> <p>Achieved.</p> <p>Achieved.</p> <p>NZ On Air subscribes to the peplemeter survey data prepared by AC Nielsen-McNair. This information is received weekly by NZ On Air. AC Nielsen-McNair provides quarterly reports to NZ On Air on the viewing levels of non-network broadcasters.</p> <p>NZ On Air receives the radio surveys from Research International NZ Limited covering the metropolitan and main provincial areas.</p>

CONSULTATION continued

	Performance Targets	Actual Performance
	<p>(ii) Where necessary, to commission specific research to:</p> <ul style="list-style-type: none"> • inform NZ On Air decision makers; • understand particular special interest audience needs; and • provide data that will enhance NZ On Air's outcomes. 	<p>A review of children's research was completed by NZ On Air to assist with decisions relating to children's television funding.</p> <p>An analysis of the level of local content on the three main free-to-air national television networks was completed by NZ On Air and made available to the public.</p> <p>CM Research was commissioned to research public attitudes towards New Zealand content on television and perceptions of NZ On Air.</p> <p>CM Research has completed its survey on the effectiveness of NZ On Air's broadcasting services for people with disabilities.</p> <p>Research into the broadcasting needs of the youth audience commenced during the year and will be completed in August 1997.</p> <p>A survey of television audience preferences was commenced during the year and is expected to be completed during 1997/98.</p>
	<p>(iii) To monitor the development of broadcasting and where necessary modify policies to provide for any changes in the broadcasting environment.</p>	<p>A new television funding policy was completed, following extensive consultation with the industry.</p> <p>New Zealand music guidelines have been revised during 1997/98 to reflect policy amendments.</p> <p>A review of access radio policy was completed during the year.</p> <p>A review of the archive funding policy was completed during the year.</p>
	<p>Cost \$258,000 (part of the administration budget)</p>	<p>\$180,297</p>



Report of the Audit Office

for the year ended 30 June 1997

To the readers of the financial statements of the Broadcasting Commission for year ended 30 June 1997

We have audited the financial statements on pages 8 to 24. The financial statements provide information about the past financial and service performance of the Broadcasting Commission and its financial position as at 30 June 1997. This information is stated in accordance with the accounting policies set out on page 8.

Responsibilities of the Board

The Public Finance Act 1989 requires the Board to prepare financial statements in accordance with generally accepted accounting practice which fairly reflect the financial position of the Broadcasting Commission as at 30 June 1997, the results of its operations and cash flows and the service performance achievements for the year ended 30 June 1997.

Auditor's responsibilities

Section 38(1) of the Public Finance Act 1989 requires the Audit Office to audit the financial statements presented by the Board. It is the responsibility of the Audit Office to express an independent opinion on the financial statements and report its opinion to you. The Controller and Auditor-General has appointed John O'Connell of Audit New Zealand to undertake the audit.

Basis of opinion

An audit includes examining, on a test basis, evidence relevant to the amounts and disclosures in the financial statements. It also includes assessing:

- the significant estimates and judgements made by the Board in the preparation of the financial statements; and
- whether the accounting policies are appropriate to the Broadcasting Commission's circumstances, consistently applied and adequately disclosed.

We conducted our audit in accordance with generally accepted auditing standards in New Zealand. We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements and the Broadcasting Commission's compliance with significant legislative requirements.

Other than in our capacity as auditor acting on behalf of the Controller and Auditor-General, we have no relationship with or interests in the Broadcasting Commission.

Unqualified opinion

We have obtained all the information and explanations we have required.

In our opinion, the financial statements of the Broadcasting Commission on pages 8 to 24:

- comply with generally accepted accounting practice; and
- fairly reflect:
 - the financial position as at 30 June 1997;
 - the results of its operations and cash flows for the year ended on that date; and
 - the service performance achievements in relation to the performance targets and other measures set out in the forecast financial statements for the year ended on that date.

Our audit was completed on 24 September 1997 and our unqualified opinion is expressed as at that date.

John O'Connell
 Audit New Zealand
 On behalf of the Controller and Auditor-General
 Wellington, New Zealand
 24 September 1997

Historical Statistics

Six year comparison

PUBLIC BROADCASTING FEE (PBF) STATISTICS

	1997	1996	1995	1994	1993	1992
Total number of Fee-payers at year end	1,096,729	1,075,065	1,051,417	1,009,019	974,520	924,392
Total number of concessional Fee-payers at year end. Concessional rates apply to New Zealand superannuitants who live alone.	135,778	135,723	137,160	136,581	137,626	134,418
Standard annual PBF (excluding GST of \$12.22)	\$97.78	\$97.78	\$97.78	\$97.78	\$97.78	\$97.78
Concessional annual PBF (excluding GST of \$8.12)	\$64.88	\$64.88	\$64.88	\$64.88	\$64.88	\$64.88
Residential compliance level (based on 1991 census data)	95%	94%	93%	90%	86%	80%

TELEVISION PRODUCTION FUNDING STATISTICS

By Producer						
- TVNZ	29%	39%	28%	36%	40%	35%
- TV3	2%	3%	5%	4%	2%	3%
- Independent producers	69%	58%	67%	60%	58%	62%
	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>
By Broadcaster						
- TVNZ	78%	70%	60%	56%	75%	77%
- TV3	22%	30%	40%	44%	25%	23%
	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>	<u>100%</u>
By Programme Type						
Hours funded:						
- Drama	62	77	218	229	213	187
- Documentaries	99	103	169	200	214	112
- Children and young persons	410	391	469	476	447	410
- Special interest programmes	204	248	210	148	134	90
- Maori programmes NOTE	-	-	-	116	118	145
	<u>775</u>	<u>819</u>	<u>1,066</u>	<u>1,169</u>	<u>1,126</u>	<u>944</u>

RADIO FUNDING STATISTICS

Number of Access stations	11	11	10	9	9	8
Number of Pacific Island stations	2	2	2	2	2	-
Number of Maori stations NOTE	-	-	24	22	21	18

NOTE Now funded by Te Mangai Paho.

Television Programmes Funded

during the year ended 30 June 1997

Programme (Broadcaster)	Producer	Episodes & Duration	NZ On Air Funding \$	% of Total Cost
DRAMA/COMEDY				
Comedy Playhouse (TVNZ) -			725,611	
Bad Timing*	South Pacific Pictures	1 x 1/2 hour		
Charity Queens*	Communicado	1 x 1/2 hour		
Heads Above Water*	Isambard Productions	1 x 1/2 hour		
One Man's Poison*	Gibson Group	1 x 1/2 hour		
Queenie & Pete*	Zee Films	1 x 1/2 hour		
Duggan (TVNZ)	Gibson Group	1 x 2 hour	770,000	
Greenstone (TVNZ) *	Communicado	8 x 1 hour	3,200,000	
Letter To Blanchy III (TVNZ)	Isambard Productions	13 x 1/2 hour	1,495,000	
Market Forces (TVNZ)	South Pacific Pictures	7 x 1/2 hour	1,050,000	
Mirror Mirror II (TVNZ) *	Gibson Group	26 x 1/2 hour	1,888,600	
Sunday Theatre II (TVNZ) -			3,024,101	
Coal Face*	T.H.E.	1 x 1 hour		
High Water*	Rocket Pictures	1 x 1 hour		
Home Movie*	Frame Up Films	1 x 1 hour		
House Of Sticks*	South Pacific Pictures	1 x 1 hour		
Nga Wahine*	TVNZ/Kotuku	1 x 1 hour		
One Of Them*	Zee Films	1 x 1 hour		
Share The Dream*	Gibson Group	1 x 1 hour		
Pio! (TV3)	Pipi Productions	10 x 1/2 hour	794,945	
Skitz 1997 (TV3)	Gibson Group	7 x 1 hour	1,330,000	
Telly Laughs II (TV3)	Gibson Group	6 x 1 hour	1,290,000	
The Semisis (TV3)	Gibson Group	3 x 1/2 hour	430,000	
Total Drama/Comedy		62 hours	\$15,998,257	55%
DOCUMENTARY				
About Face (TVNZ)	Spiderweb Productions	1 x 1 hour	44,988	
Beyond The Prison Wall (TVNZ)	Frame Up Films	1 x 1 hour	100,000	
Boys To Men (TVNZ)	RSVP Productions	1 x 1 hour	77,982	
Brave Pioneers (TVNZ)	Ninox Films	1 x 1 hour	113,000	
Conquering Isolation (TVNZ)	Ninox Flms	2 x 1 hour	240,000	
Country Calendar 1997 (TVNZ)	TVNZ/Kotuku	16 x 1/2 hour	320,000	
Doubtful Dolphins (TVNZ)	TVNZ/Natural History	1 x 1 hour	100,000	
Epitaph (TVNZ)	Greenstone Pictures	13 x 1/2 hour	636,126	
Fatal Denial (TVNZ)	Ninox Films	1 x 1 1/2 hour	100,000	
Flatmates (TV3) *	Top Shelf Productions	3 x 1/2 hour	43,990	
In The Deep End (TV3)	Touchdown Productions	13 x 1/2 hour	350,000	

* Funding also allocated in a previous financial year

Programme (Broadcaster)	Producer	Episodes & Duration	NZ On Air Funding \$	% of Total Cost
DOCUMENTARY CONTINUED				
Inside New Zealand VI (TV3) -				
Airport	South Pacific Video Productions	1 x 1½ hour	85,600	
Black Spots White Crosses	Greenstone Pictures	1 x 1 hour	87,870	
City Guardians	Ninox Films	2 x 1 hour	149,967	
Diggers	Ninox Films	1 x 1 hour	120,561	
Five Steps	RSVP Productions	1 x 1 hour	108,110	
Fish Out Of Water	Frame Up Films	1 x 1 hour	86,000	
Home Truths	Frame Up Films	1 x 1 hour	86,000	
In Cold Blood	Bryan Bruce Productions	2 x 1 hour	172,000	
Mind That Child	Nona Films	1 x 1 hour	87,870	
NZ2	Ninox Films	1 x 1 hour	86,269	
Room 8 Brockville School	Kids TV	1 x 1 hour	84,000	
Scorched Memories	Raconteur Productions	1 x 1 hour	88,428	
Soul Searching	South Pacific Video Productions	1 x 1 hour	84,000	
Stand By Me	Top Shelf Productions	1 x 1 hour	88,104	
Supermarket	Ninox Films	1 x 1 hour	77,625	
The Hitchhiker II	South Pacific Video Productions	2 x 1 hour	101,240	
The Hardest Job In The World	Top Shelf Productions	1 x 1 hour	86,503	
The First Thirty Seconds	Bryan Bruce Productions	1 x 1 hour	86,000	
Toccatas & Taiahas	Te Reo Television	1 x 1 hour	86,000	
Wings	Ninox Films	1 x 1 hour	84,000	
Zoo	Nona Films	1 x 1 hour	83,020	
Unallocated funding			44,833	
It's Your Money (TV3)	Ninox Films	2 x 1 hour	240,000	
Journey To Arras (TVNZ)	George Andrews Productions	1 x 1 hour	125,000	
Kiwi As (TVNZ)	Point Of View Productions	1 x 1 hour	99,735	
Koina Te Korero (TV3)	Tahi Communications	19 x 1 min	184,371	
Little People, Big Dreams (TVNZ)	Greenstone Pictures	1 x 1 hour	100,000	
McCormick (TVNZ)	Morrison Grieve	13 x ½ hour	585,000	
Motor Mania (TVNZ)	George Andrews Productions	2 x 1 hour	240,000	
Mum, Dad & Michaela (TVNZ)	Colleen Hodge Productions	1 x 1 hour	101,587	
NZ Wars (TVNZ) *	Landmark Productions		54,950	
NZ Face Of The Century (TVNZ)	Ninox Films	6 x 1 ½ hr	1,500,000	
Revolution (TVNZ) *	Images Ink	1 x 1 hour	67,038	
The Problem With Men (TVNZ)	Beyond Productions	2 x 1 hour	100,000	
The Two Of Us (TVNZ)	TVNZ	1 x 1 hour	86,000	
The Coastguards (TVNZ)	TVNZ/Kotuku	1 x 1 hour	86,000	
The Bay Boys (TVNZ)	Morrison Grieve	1 x 1 hour	100,600	
Timebomb (TVNZ) *	Communicado	2 x 1 hour	280,000	
Triumph Of The Human Spirit (TVNZ)	Chas Toogood Productions	1 x 1 hour	125,616	
View From The Top (TVNZ)	TVNZ	4 x 1 hour	500,000	
When The Baby Boomers Get Old (TVNZ)	Ninox Films	1 x 1 hour	60,000	
Work Of Art IV (TVNZ) -			932,000	
Happiest Days Of My Life	Ninox Films	1 x 1 hour		
Ihi Wahine	Tahi Communications	1 x 1 hour		
Pacific Icon	James Wallace Productions	1 x 1 hour		
Through The Eyes Of Love	Zee Films	1 x 1 hour		
Velvet Dreams	Top Shelf Productions	1 x 1 hour		
What An Orchard	Restless Age Films	1 x 1 hour		
Total Documentary		99.5 hours	\$9,757,983	62%

* Funding also allocated in a previous financial year

Programme (Broadcaster)	Producer	Episodes & Duration	NZ On Air Funding \$	% of Total Cost
CHILDREN AND YOUNG PERSONS				
Correspondence School Review 1996 (TVNZ)	Mike Neale Productions	1 x 1 hour	40,000	
Ice TV 1997 (TV3) *1	TV3	26 x 1 1/2 hr	900,000	
Mai Time 1997 (TVNZ)	TVNZ	35 x 1 hour	700,000	
Smokefree Rockquest 1997 (TVNZ)	Maxwell Productions	1 x 1 hour	86,591	
Smokefree Stage Challenge 1997 (TVNZ) *2	TVNZ	1 x 3 hour	200,000	
Squirt 1997 (TVNZ)	Taylormade Productions	25 x 1/2 hour	900,000	
Wee Ones (TVNZ)	TVNZ	6 x 3-4 min	68,521	
What Now? (Sunday) (TVNZ)	TVNZ	44 x 2 hour	1,610,720	
What Now? (Weekdays) (TVNZ)	TVNZ	200 x 1/2 hour	2,639,280	
You & Me 1997 (TV3)	Kids TV	260 x 1/2 hour	1,150,000	
Total Children and Young Persons		410 hours	\$8,295,112	78%

*1: Includes 13 x 1.5 hr + 20 x 1 hr

*2: Includes 2 x 1 hr + 10 x 4 mins

SPECIAL INTEREST

Agritech 2000 1997 (TVNZ)	TVNZ	26 x 1/2 hr	360,000	
Anzac Day National Wreathlaying Ceremony (TVNZ)	TVNZ/Kotuku	1 x 1 hr	20,983	
Asia Dynamic 1997 (TVNZ, HPTV)	Asia Vision	38 x 1/2 hr	920,000	
Christmas In The Park (TV3)	TV3	1 x 2 hr	80,000	
DisAbilities (TVNZ)	On Air Productions	13 x 1/2 hr	500,000	
DisAbilities (TVNZ)	Flying Start Productions	13 x 1/2 hr	500,000	
express Report (HPTV,TVNZ) *	Horizon Pacific Television	13 x 1/2 hr	79,183	
Extreme Close Up I (HPTV, TVNZ)	Extreme Close Up Productions	10 x 1/2 hr	249,039	
Extreme Close Up II (TVNZ)	Extreme Close Up Productions	13 x 1/2 hr	406,250	
Queer Nation (TVNZ)	Big Sky Films	13 x 1/2 hr	126,596	
Hero Parade 1997 (TV3)	Livingstone Productions	1 x 2 hr	56,238	
Inside Out (TVNZ)	New Frontier Trust Productions	1 x 1/2 hr	41,250	
MDC Maori Sports Awards 1996 (TVNZ)	TVNZ	1 x 1 1/2 hr	39,232	
Minority Sports 1997 (TVNZ)	TVNZ	30 x 5-10 min	210,000	
Music & Entertainment Awards 1997 (TV3)	C4 Productions	1 x 2 hr	190,000	
Out There 1997 (HPTV, TVNZ)	Horizon Pacific Television	13 x 1/2 hr	79,183	
Praise Be 1997 (TVNZ)	TVNZ/Kotuku	47 x 1/2 hr	556,459	
Religious Specials 1997 (TVNZ)	TVNZ/Kotuku	3 x 1 hr	162,322	
Showcase II (TVNZ)	TVNZ	16 x 1 hr	1,040,000	
Sunday III (TV3)	Gibson Group	24 x 1 hr	1,000,000	
Tagata Pasifika 1997 (TVNZ)	TVNZ	38 x 1/2 hr	1,136,026	
Teletext 1997 (TVNZ, TV3)	TVNZ/Teletext		1,208,000	
The Big Comedy Gala II (TVNZ)	Phoenix Television	1 x 1 hr	111,070	
The Write Stuff (TVNZ)	Pinnacle Producing	26 x 1/2 hr	220,000	
Wearable Art Awards 1996 (TVNZ)	TVNZ/Kotuku	1 x 1 hr	120,000	
Young Entertainers (TVNZ)	Denis Spencer Productions	13 x 1 hr	1,147,633	
Young Farmer Of The Year 1997 (TVNZ)	TVNZ/Kotuku	1 x 1 hr	100,000	
Young Musicians 1997 (TVNZ)	C4 Productions	1 x 1 hr	130,000	
Total Special Interest		204 hours	\$10,789,464	85%

* Funding also allocated in a previous financial year

Radio Programmes & NZ Music Projects Funded

during the year ended 30 June 1997

RADIO PROGRAMMES: DRAMA, COMEDY, YOUTH

	Producer	NZ On Air Funding
Starship Cortina & The Caffeine		
Comedy Hour (News In Briefs)	ComedyFest/Studio Time	500,000
Rampage	Rampant Media	200,000
Ashley's Worlds	Adverb Productions	70,000
Buckeroo	Studio Time	72,140
Total Radio Programmes: Drama, Comedy, Youth		\$842,140

RADIO PROGRAMMES: NZ MUSIC

	Producer	NZ On Air Funding
95bFM		82,840
Contact 89FM		45,280
Radio Massey		42,640
Active 89FM		43,300
98RDU		43,300
Radio One		42,640
Off The Record	Adverb Productions	75,000
Keeping It Kiwi	Adamson Productions	140,000
Inside Track	bFM	16,000
Counting The Beat	Pagan Records	165,000
Kiwi Yarna	Studio Time	22,500
Kiwi Chart Breakdown	Media Music	87,500
un-chart-ed	Base 2	45,000
Rock Your Radio	Media Music	165,000
Kiwi Bites	Base 2	42,885
Total Radio Programmes: NZ Music		\$1,058,885

MUSIC VIDEOS

NZ On Air funding of \$5,000 each

Artist	Song	Artist	Song
DLT & The Mighty Asterix	One Love	Head Like A Hole	A Crying Shame
Supergroove	5th Wheel	Thorazine Shuffle	Secret You Hide
Rikki Morris	The Tender Trap	Future Stupid	Rock Star
Breathe	Smiley Hands	Muckhole	Pop Out Punk
Ngairé	The Look Of Love	Headless Chickens	Magnet
King Loser	Troubled Land	Baiter Space	Pass It Up
The 3Ds	Vector 27	OMC	On The Run
Nathan Haines	Beda	Splitter	Bad For Me
Cinematic	Why Are You So Tired	Pash	Undercover
Cicada	Future Folds	Bic Runga	Sway
Dancing Azians	Elevator	The Exponents	One In A Lifetime
Igelese	Emotions	Moana & The Moahunters	Bird In A Tree
Lole	Feel Like Making Love	Russell Harrison	The Best
Greg Fleming	California Fishing	AKA Brown	Tonight Is Yours
Strawpeople	Boxers	Annie Crummer	I Come Alive
Seven A Side	Running Back To You	Jan Hellriegel	Sentimental Fool
Shihad	La La Land	Shihad	Home Again
Head Like A Hole	Cornbag	Propeller	Suva Yacht Club
Che Fu	Pen & Paper	Inchworm	It Means A Lot To Me
Lost Tribe	Summer In The Winter	Greg Johnson	My Ship Is Sitting Low
Bressa Creeting Cake	Papa People	Bike	Circus Kids
Dimmer	Don't Make Me Buy Out Your Silence	The Narcs	Back To The Deep
OMC	Land Of Plenty	Lava Lava	Feel The Heat
Cicada	Get Up	Cicada	Backstab
Greg Johnson	Softly On Me	Eye TV	Snakes & Ladders
Mary	Golden Halo	Let's Planet	Driving
Stellar	Real	Southside Of Bombay	Running
The Verlaines	Hanging By Strands	The Mutton Birds	April
Ardijah	Oh Baby	Emma Paki	Paradise
Dam Native	Extremities	Breathe	Waterslide
D-Faction	Pride	Buckle	Swoon
Moana & The Moahunters	Treaty	Head Like A Hole	Keith
Upper Hutt Posse	Dread On A Mission	Shihad	Ghost From The Past
Moizna	Just Another Day	Southern Tribe	Closer
Bobby Owen	Falling	Propeller	Repeat The Question
Head Like A Hole	Hootenanny	Greg Johnson	Climb Back Up
Shihad	It's A Go	The Stereo Bus	Don't Open Your Eyes
DLT & Mark James	Poison	Baiter Space	Dome
Loves Ugly Children	Six Pack	Loves Ugly Children	Voodoo Girl
Bressa Creeting Cake	Palm Singing	Bike	Tears Were Blue
Fat Mannequin	That Matters	Headless Chickens	Second Time Virgin
Stellar	Sorry	The Narcs	Hopeless Friends
Ardijah	Bad Buzz	Coelacanth	Choke
Ma-V-Elle	Show Me Heaven	Peaches	Down In Splendour
Pash	Doo Wop	Ma-V-Elle	3 Flow
Strawpeople	Spoiler	The Exponents	Close
Brothers & Sisters	Parihaka	Ardijah	Fall In Love
In The Whare	Sister Dread	Dam Native	The Son
Greg Johnson	Liberty	Dead Flowers	I Wanna Know
The Mutton Birds	Come Around	Muckhole	Not Like U
Shihad	A Day Away		
		Total Music Videos	\$505,000

RADIO HITS

NZ On Air funding of \$5,000 each

Artist	Song	Artist	Song
Matty J Ruys	Love Every Little Thing About You	Strawpeople	Taller Than God
		Ngairé & D	Can U Be Strong For Me
		ENZSO with Neil Finn	Message To My Girl
		DLT & Che Fu	Chains
		Jan Hellriegel	Pure Pleasure
		Bike	Save My Life
		Nothing At All!	Busted
		Garageland	Beelines To Heaven
		Shihad	Deb's Night Out
		Superette	Disappear
		Each	Bombard Me With The Truth
The 3Ds	Dust	Supergroove	If I Had My Way
Supergroove	If I Had My Way	The Exponents	Do You Feel In Love
The Exponents	Do You Feel In Love	The Exponents	La La Lulu
Annie Crummer	U Soul Me	Annie Crummer	U Soul Me
Muckhole	Don't Wanna Know You	Muckhole	Don't Wanna Know You
Teina	Gone Fishing	Bic Runga	Bursting Through
Bic Runga	Bursting Through	Second Child	Desire You
Second Child	Desire You	Emma Paki	Don't Give It Up
Emma Paki	Don't Give It Up	Garageland	I'm Looking For What I Can't Get
Garageland	I'm Looking For What I Can't Get	Eye TV	Immaculate
Eye TV	Immaculate	DLT & The Mighty Asterix	One Love
DLT & The Mighty Asterix	One Love	Head Like A Hole	Cornbag
Head Like A Hole	Cornbag	Shihad	La La Land
Shihad	La La Land	Strawpeople	Boxers
Strawpeople	Boxers	Thorazine Shuffle	Harry
Thorazine Shuffle	Harry	Dead Flowers	You Drink The Water, I'll Drink The Wine
Dead Flowers	You Drink The Water, I'll Drink The Wine	Shihad	A Day Away
Shihad	A Day Away	The Mutton Birds	She's Been Talking
The Mutton Birds	She's Been Talking	OMC	Land Of Plenty
OMC	Land Of Plenty	Supergroove	5th Wheel
Supergroove	5th Wheel	The Mutton Birds	Come Around
The Mutton Birds	Come Around	Head Like A Hole	A Crying Shame
Head Like A Hole	A Crying Shame	Breathe	Smiley Hands
Breathe	Smiley Hands	The Exponents	One In A Lifetime
The Exponents	One In A Lifetime	Each	Inside Of Me
Each	Inside Of Me	Bic Runga	Sway
Bic Runga	Sway	Jan Hellriegel	Sentimental Fool
Jan Hellriegel	Sentimental Fool	Greg Johnson	Liberty
Greg Johnson	Liberty	Shihad	Home Again
Shihad	Home Again		
		Total Radio Hits	\$215,000

HIT DISCS

Kiwi Hit Disc	55,374
Iwi Hit Disc	48,000
Indie Hit Disc	48,000
Total Hit Discs	\$151,374

Directory

BOARD MEMBERS

David Beatson	of Auckland	<i>Chairman</i>
Roger Horrocks	of Auckland	
Pamela Meekings-Stewart	of Wellington	
Barbara Stewart	of Christchurch	
Trish Stevenson	of Wellington	

STAFF

Chris Prowse	<i>Chief Executive</i>
Jane Wrightson	<i>Deputy Chief Executive and Television Manager</i>
Selwyn Crane	<i>General Manager, Revenue & Marketing</i>
Brendan Smyth	<i>Radio & New Zealand Music Manager</i>
Elizabeth Morrison	<i>Finance & Administration Manager</i>
Justine Wilkinson	<i>Manager, Project Analysis</i>
Emma Tetley	<i>Assistant Television Manager</i>
Robyn Andrews	<i>Personal Assistant</i>
Anita Roberts	<i>Personal Assistant</i>
Teresa Tito	<i>Personal Assistant</i>
Madeline Palmer	<i>Receptionist</i>
Christine Westwood	<i>Administration Assistant (part-time)</i>

OFFICE

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