



Our stories, our songs, ourselves.

nz on air annual report
05/06





> Contents

Chairman's Overview	2
Chief Executive's Report	4
Research	4
Television	5
Radio	6
NZ Music	8
Māori Broadcasting	10
Archives	11
Transmission	12
Staff Changes	12
Financial Statements	13
Statement of Responsibilities	13
Statement of Accounting Policies	13
Statement of Financial Performance	16
Statement of Movements in Equity	17
Statement of Financial Position	18
Statement of Cash Flows	19
Statement of Commitments	20
Statement of Contingent Liabilities	21
Statement of Resources	21
Notes to the Financial Statements	22
Statement of Objectives and Service Performance	32
Audit Report	53
Historical Television Statistics	54
Television Programmes	55
Radio Programmes	60
NZ Music Projects	61
Directory	65

NZ On Air Board



1 / 2 / 3



4 / 5 / 6

- 1 / **Judy Callingham** Deputy Chair
- 2 / **James Coleman**
- 3 / **Gaylene Preston**
- 4 / **Edie Moke**
- 5 / **Paul Smith**
- 6 / **Don Hunn** Chairman

The 2005/2006 year brought a number of challenges for NZ On Air, but I am pleased to report that it was a successful one.

Chairman's Overview



Don Hunn
Chairman NZ On Air

> Once again, events underlined the importance of an agency like NZ On Air, which has a mission to support the development, production and broadcast of local content for television and radio, in a mixed broadcasting economy where commercial imperatives mean that such content might not otherwise be produced or seen by New Zealand audiences during prime time.

The strategic focus of NZ On Air remains the same as it has been since the publication of the five-year strategic plan in 2003, but in a changing environment, we have had to continue to develop that focus to ensure we remain current and ready to respond to developments as they occur.

During the year, we appeared before Parliament's Commerce Select Committee to discuss our Annual Report for 2004/2005. I told the Committee that NZ On Air was proud to be associated with the strong expressions of New Zealand culture and identity that characterise the programmes and broadcasts we had supported through the year. Screen awards presented in that year attested to the quality of the programmes we had funded. That has continued to be the case in the year just past.

Government confirmed its support of NZ On Air's work, with additional funding during the year to enable us to maintain, where possible, the level of programming we have been able to support, in the face of climbing costs. That funding has been put to good use,

and we continue to see the standard of local content growing.

We have also spent a great deal of our time thinking about and developing plans for the digital broadcasting environment that is just around the corner. The Minister of Broadcasting's announcement in June of the launch of digital "Freeview" means that, by the end of 2007, New Zealanders will join many others in the world in having a greater range of viewing and listening choices, with better quality pictures and sound.

NZ On Air needs to be ready to face this new world and ensure the quality local content we fund is accessible to as many New Zealanders as possible, wherever they choose to listen and watch. We also need to give programme and music makers the opportunity to be innovative and take risks in the work they do in a digital environment that offers them greater scope than they have today.

As the Government continues to work through the initiatives outlined in the broadcasting Programme of Action it published early last year, NZ On Air will work alongside stakeholders to ensure our role in the broadcasting landscape is clear and distinct.

Our research continues to show that New Zealanders enjoy and want more locally produced programmes, and they appreciate and want New Zealand music on the radio. We are pleased to be instrumental in providing what audiences are looking for, and we are

committed to helping to develop the quality of the programmes and music being made.

Financial Situation

2005/2006 was also a successful year from a financial perspective. Just over \$106.5 million was available for broadcast funding. The results of that funding are impressive:

- 971 hours of television on TV ONE, TV2, TV3, C4 and Prime for the first time
- funding for news and current affairs programmes on regional channels throughout New Zealand for the first time
- more than 16,000 hours of public radio services through Radio New Zealand, and even more through community and access stations
- more than 300 hours of radio programming by independent producers
- thousands of hours of radio and television archiving
- 163 music videos
- 40 New Recording Artists
- 20 albums
- the launch of the Phase Five international New Zealand music promotional strategy.

Public equity reserves, built up through a combination of sales revenue, interest income, residual public broadcasting fee collection and programme writebacks supplemented the revenue we received from the Crown, and during the year, we used some of those reserves to maintain support for programming at levels close to those we have achieved in recent years.

Outlook

Last year in the Annual Report, I signalled NZ On Air's inability to continue to maintain and grow local production in the face of increasing costs, without substantial increases in funding. We have been fortunate to receive increased funding, which, with careful management of the funds available, has meant we have almost kept pace with recent years. The pressure remains, however, and this has meant

that NZ On Air has placed a greater emphasis than ever on supporting and growing quality in broadcasting.

In the coming year, this emphasis will continue, and it is our intention to develop quality measures and rewards to recognise the funding recipients who have used NZ On Air funding to produce outstanding results.

We will continue to work to establish secure, innovative and well-appreciated locally produced television, radio and music. As we have said before, we believe innovation and risk taking are key, and we will continue to encourage producers to "push the envelope".

Research and consultation will be the foundation for the development of strategies that will result in broadcast outcomes that New Zealanders are looking for and will appreciate.

NZ On Air will welcome the advent of the digital broadcasting age in New Zealand with interest and excitement, and we will work to ensure that the shared broadcasting experiences available to New Zealanders are relevant, innovative and of a high standard, and that they are pervasive across the range of media that people are able to access. We are especially hopeful that the range of options offered by digitalisation will enable wider exposure of high-quality publicly funded television programmes.

In closing this overview, I want to thank the NZ On Air Board and staff for an interesting and successful year. I would also like to thank NZ On Air's former Chief Executive, Jo Tyndall, who resigned recently, for her outstanding work, both in her capacity as head of the agency and also as the Director, Digital Broadcasting Strategy at the Ministry for Culture & Heritage.

As I sign off on this report, I am mindful that it will be my last, as my term as Chairman ends at the end of 2006. I am proud of what this agency has achieved during the five years I have been associated with it, and would like to record my appreciation to all of those with whom I have worked, both in the industry and in the organisation, for their part in making this possible. I wish you all well for the future and am confident the expressions of our diverse cultural identity through public broadcasting will continue to enhance the life of the nation.

 **Don Hunn** Chairman NZ On Air

It has been a busy year, and the speed of its passing has, at times, left me breathless. Our Chairman has already indicated that the year has been a success for NZ On Air, and this report illustrates what gives us the confidence to say that.

Chief Executive's Report

> Research



Bernard Duncan
Acting Chief Executive

NZ On Air, under Section 37(a) of the Broadcasting Act 1989, is required to consult widely on broadcasting issues and the attitudes of New Zealanders to the programmes on television and radio in this country. This consultation takes a variety of forms, from the comprehensive annual *Public Information and Opinion Monitor* to focus groups and online surveys.

The agency's research programme is carefully developed and managed, and the research results are critical to the formulation of NZ On Air's policies. They also contribute to wider policy development and provide key insights for the future.

Once again this year, the *Public Information and Opinion Monitor* confirmed New Zealanders' enjoyment of locally produced programming with close to 80% of those surveyed saying programmes supported by NZ On Air are important to them.

Respondents also continue to think it is important that radio stations play New Zealand music.

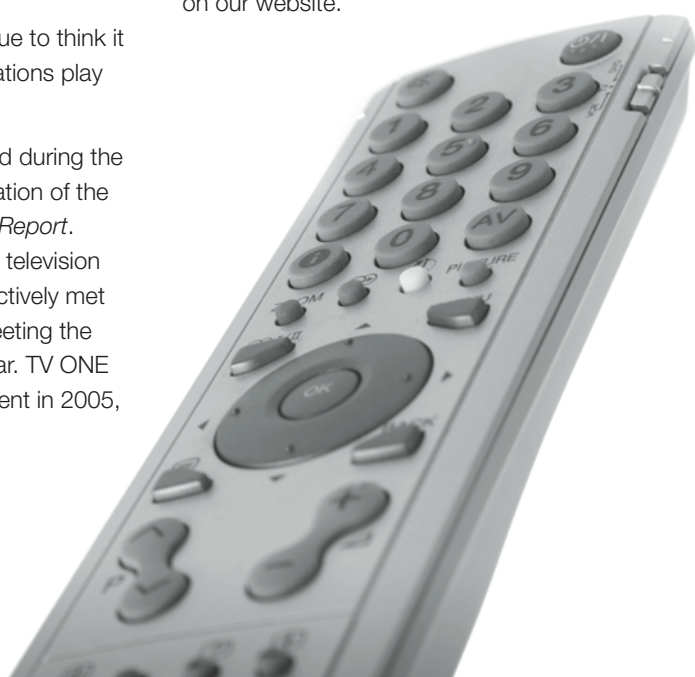
Other research conducted during the year included the compilation of the *Television Local Content Report*. The report found that the television networks measured, effectively met or came very close to meeting the targets agreed for the year. TV ONE screened 54% local content in 2005,

TV2 23.1%, TV3 21% and Prime 8.7%. These results are against targets of 55% for TV ONE, 23% for TV2, 20% for TV3 and 5.5% for Prime.

NZ On Air also commissioned a range of projects designed to gauge the needs of special interest audiences, including the gay community, and Asian and Māori audiences. The results of these projects were being assessed at the time this report was being written and will provide background information to assist us in deciding whether or not policy for special interest audiences remains current.

We also commissioned a report to look at the principles and practices of European broadcasters and funding agencies to contribute to NZ On Air's review of its equity investment and recoupment policies.

Research reports commissioned by NZ On Air are available for download on our website.



Television

A substantial proportion of NZ On Air's annual funding budget is allocated to television production, and in the 2005/2006 year, the allocation of total television funding of just over \$70 million resulted in 971 hours of locally produced television.

The largest part of the television production budget is invested in drama, a genre in which NZ On Air has seen costs increase over recent years. During the year, the NZ On Air Board considered a number of applications for drama funding – a welcome development that saw some exciting projects get the green light.

These included **Burying Brian**, a black comedy/drama about four old school friends who conspire to bury the body of one of their husbands who has unfortunately died in circumstances both suspicious and compromising, and the period drama **Victoria Park**, to be broadcast on TVNZ, will bring the darker side of 1860s Auckland to the screen. TV3 viewers will get another dose of the Wests in **Outrageous Fortune**, too.

Funding was approved for the horror/comedy feature **Black Sheep** for TV2, and Martin Clunes, star of the comedy/drama series **William and Mary** comes to join a cast in New Zealand in **Head Cases**, the story of a custodian from the British Museum determined to retain custody of a carved wooden head.

With the help of funding from NZ On Air, the popular animated comedy **bro'Town** returns to the screen for a third series on TV3, and TVNZ has a further series of the incorrigible **Seven Periods With Mr Gormsby**. The irreverent **Eating Media Lunch** and **The Unauthorised History of New Zealand** were also funded once again.

Documentary strands continue on both TVNZ and TV3, with funding approved for **Inside New Zealand**, and **TV ONE Documentaries** providing programmes that continue to find a ready audience. Other documentaries to receive funding included **Captain Cook: Obsession and Betrayal** for Prime, and **Anzac Songs** and **Victoria Crossed** for Māori Television.

Extraordinary Kiwis was funded for another series, and **Costing The Earth** was funded for broadcast on TV3. This series outlines how to “transform our wasteful households into clean green homes”. Another series of **Country Calendar** was also funded.

In NZ On Air's Arts, Culture and Performance genre, funding was allocated to **Frontseat** and **The Book Show**, and the broadcast of two ballets from the Royal New Zealand Ballet company – the classic **Nutcracker** and the contemporary **The Wedding** – was funded for TV ONE.

Westfield Style Pasifika and the **Montana World of WearableArt Awards** also received NZ On Air support.

Special Interest funding ensured the production of **Rural Delivery** would proceed. This is a weekday magazine style programme for the people on the land. It provides news and information about local and international farming events. Funding was also allocated to **Asia Down Under**, **Kiwifruit, Attitude**, **Tagata Pasifika** and **Praise Be**. They were joined by a new religious series, **My God**, which seeks to investigate the different beliefs of New Zealanders.

The needs of young New Zealanders were catered for, with funding for **Zip and Mac's Magic Pad**, and **What Now?** was funded again, so it can maintain its informative and entertaining “must watch” status with children. **Mai Time** also received funding, and the innovative **Let's Get Inventin'** has found an audience among adults as well as children.

A second series of **The Killian Curse**, based in a haunted classroom, was funded for screening on TV2, and support was approved for **Karaoke High**, a drama set in a school for performing arts.

Innovation funding went to two projects that look to offer new and exciting viewing experiences. **Ride With The Devil**, a drama series that brings Asian characters and culture to the fore against a backdrop of fast cars, and **My Story** will make the most of new and emerging media opportunities.

Springboard, the initiative designed to enable experienced producers to develop projects to better attract broadcast commitment, continued, with funding to three production companies during the year.

The year in review was a good one for local content on television, with a range of programming that reflects and promotes New Zealand identity and culture being supported by NZ On Air. We continue to work to ensure NZ On Air is able to quickly adapt to the broadcasting environment that continues to evolve around us.

This is not an exhaustive list of the television production funding during the year; this is listed in greater detail from page 55. It merely serves to illustrate some of the quality and diversity achieved during the year in review.

In audience terms, a review of the top ten funded programmes for the year (page 6) shows that the effort delivers results that are appreciated by New Zealand audiences.



TELEVISION TOP TEN

Title	Genre	Viewers
National Bank Country Calendar	Documentary	621,200
Special Investigators	Documentary	509,900
Whale Rider	Drama	474,300
Our Lost War	Documentary	425,000
Prostitution: After The Act	Documentary	409,800
The Big Experiment	Documentary	406,500
Hidden In The Numbers	Documentary	396,600
Culture Shock	Documentary	393,300
Frontier of Dreams	Documentary	376,000
bro'Town	Comedy	348,700

Source: AGB Nielsen Media Research: Dataline. Programmes screened between 1 July 2005 and 30 June 2006.

Radio

RADIO NEW ZEALAND

During this, the second year of the current three-year funding agreement with Radio New Zealand (RNZ), NZ On Air provided \$27.332 million for National Radio and Concert FM, and other RNZ services. This was an increase on the previous year's funding allocation due to an announcement by Government in the 2005 Budget that additional funding would be provided for new initiatives to be prioritised by RNZ. This enabled enhancements to Radio New Zealand International (RNZI) and Sound Archives/Ngā Taonga Kōrero.

National Radio is now broadcast on 101MHz on the FM band to most of New Zealand, with the FM roll out now almost complete.

A number of new programmes have been introduced on National Radio during the year, including **This Way Up**

and **Music 101** on Saturday afternoons, and erstwhile Political Editor Kathryn Ryan has taken over from Linda Clark as the host of the high-profile **Nine To Noon** during the week.

Concert FM celebrated the 250th birthday of Mozart, with a comprehensive tribute to his music, and recorded performances at the New Zealand International Arts Festival and the Wellington Jazz Festival.

Radio New Zealand News delivered extensive coverage of the 2005 General Election and this year's Commonwealth Games, and reporters were on the ground to provide coverage of major stories in the South Pacific, Asia, Solomon Islands and East Timor.

A key development for RNZ during the year was the launch of its revamped website, which offers information about all of National Radio and Concert FM's

programmes and presenters, recipes and features, and also, for the first time, live streaming and audio on demand. The response to these enhancements has been overwhelmingly positive, with RNZ reporting requests for audio on demand topping the one million mark in the first nine months of operation.

RNZ staff also performed well in the New Zealand Radio Awards for 2006, picking up a total of eight awards in a variety of categories.

ACCESS AND PACIFIC ISLAND RADIO

A total of 11 community access radio stations received operational funding from NZ On Air. The stations currently funded are located in Auckland, Hamilton, Hawkes Bay, Palmerston North, Wairarapa, Kapiti Coast/Horowhenua, Wellington, Nelson, Christchurch, Dunedin and Southland. NZ On Air funding also contributed to the operation of two Pacific Island community stations and the Levin-based NZ Radio for the Print Disabled.

Because of an increase in funding for community radio and regional television made in the 2005 Budget, NZ On Air was able to increase the access stations' allocations, provide for a range of special projects and capital equipment upgrades, and to assist those stations that needed to relocate their operations to new premises.

The access radio stations provide a valuable means for community groups and minorities to produce and broadcast programmes to their own communities.

In July 2005, NZ On Air hosted the managers of the access stations at the sixth annual managers' retreat, where issues and topics of mutual interest

were discussed. These gatherings are a good opportunity for managers who are spread around the country to catch up and share experiences.

Under the terms of NZ On Air's long-standing policy to fund Pacific Island radio in areas of greatest Pacific Island population, funding was also allocated to Radio 531pi in Auckland and Samoa Capital Radio in Wellington.

A full list of the access and Pacific Island stations funded by NZ On Air may be found on page 25.

COMMERCIAL RADIO PROGRAMMES

Section 36(a) and (c), and Section 37(d) of the Broadcasting Act 1989 give a clear indication of the types of programming that should be supported with NZ On Air funding. In seeking to meet its objectives under the Act, NZ On Air has prioritised, for its radio programme funding, programming that reflects the interests of young New Zealanders and programmes that reflect the diverse ethical and spiritual beliefs of New Zealanders.

Music and drama and/or comedy radio shows for broadcast on commercial radio also receive support, and a radio series dealing with Māori issues, in English, is funded for broadcast on iwi and access radio.

During the 2005/2006 year, funding support enabled the production of **Upload**, broadcasting on a number of stations nationwide, and also **Te Puutake**, which is heard on George FM and other stations.

Children's programmes **Small World** and **That's The Story** were funded and broadcast on Solid Gold FM and the Classic Hits networks respectively.

Māori issues programme **Paakiwaha** continued through the year, and funding was provided for the off-beat radio "mockumentary" **Radio Station**.

This was joined towards the end of the year by the allocation of funding for the news quiz **Off The Wire**, and the values based **Scrubcutter** series continued its popular run on Newstalk ZB and the Radio Rhema network. Radio specials for Christmas and Easter were also supported.

A new series detailing the day-to-day workings of Parliament, **Parliament Today**, received funding, and is broadcast on the Radio Live network.

New Zealand music programmes are covered in the NZ Music part of this annual report.





NZ Music

Last year, it was pleasing to be able to report record levels of New Zealand music on the radio. This year, some ground has been lost.

At 30 June last year, local content was 20.30% and at the end of the 2005 calendar year, it was 20.77%. At 30 June this year, local content (for the 2006 calendar year to date) was 19.52%, and the June 2006 quarter – at 18.53% – was the first quarter in 12 months to drop below the 20% mark.

The 2006 calendar year is the last year of the original five-year NZ Music Code agreement between the Government and the Radio Broadcasters Association on behalf of the commercial radio industry. Under the Code, the radio industry pledged to deliver 20% New Zealand music by the end of the 2006 calendar year.

The radio industry delivered on its pledge a full 12 months ahead of schedule – local content was 20.77% at the end of the 2005 calendar year.

Even though there has been some slippage in the first half of the 2006 calendar year, the 19.52% year to date figure is only 0.48% behind target, and the radio industry is confident that the 20% goal will be achieved.

The Code has been a very successful and effective stimulus to the local content campaign, and once again, radio is to be applauded for its commitment and for embracing the Code. Under it, local content has increased from just 11.24% in December 2001 to more than 20%, with some formats – particularly Adult Contemporary and Easy formats – exceeding their targets comfortably.

Radio's commitment was recognised at this year's NZ Radio Awards when the Executive Director of the Radio Broadcasters Association, David Innes, was presented with a special Tui New Zealand music award for "an outstanding contribution to the growth of New Zealand music on radio".

For the last five years, NZ On Air's main music mission has been to support the Code and specifically, to feed the Code. The Phase Four funding schemes and promotional strategies launched in 2000 have been geared towards this goal – to deliver radio hits and help radio fulfil its obligations under the Code.

This year, NZ On Air funded another 20 albums by artists with radio hit-making credentials, bringing to 94 the number of albums that have been funded under the Phase Four plan since 2000. Of those 94 albums, 61 had been released at 30 June 2006, and those 61 albums had delivered 220 radio singles, 201 of which had gone on to be radio hits – a 91% radio hits strike-rate. Phase Four-funded songs like **Dance Stamina** by Pluto, **If It's Cool** by Nesian Mystik, **Whiplash** by Stellar and **Running** by Evermore fed the Code and helped radio to achieve its targets.

Another 40 radio singles by new artists were funded in order to grow the repertoire base and spawn a new generation of radio hit-makers. Through the year, New Recording Artist scheme songs like **Alright Now** by Solstate, **Just Roll** by PNC and **Down Time** by Aaradhna were riding high in the airplay charts.

These two Phase Four funding schemes are the linchpin in the NZ On Air local content campaign. During the year, changes were made to both schemes to increase their impact.

The album funding criteria were relaxed to recognise RadioScope NZ Airplay Chart Top 40 songs as “radio hits” (rather than just Top 30 songs), thus giving artists who are “knocking on the radio door” the chance to break through at radio and adding to the depth and diversity of our album portfolio.

The New Recording Artists scheme was recast as the New Artists scheme. The aim – to fund radio singles by new artists – remains the same but the number of projects that will be funded in future will be halved – from 40 to 20 a year – and the grants will double – from \$5,000 to \$10,000 – to include funding for a music video to back up the release of the song to radio. The intention, again, is to achieve greater breakthrough at radio.

These changes are important and timely with the end of the Code imminent. To maintain or grow the 20%, it is critical that the repertoire base is broadened and the impact of the funding maximised.

Music videos and music television have always been a key part of the NZ On Air strategy for getting more songs played on the radio. This year, the budget for funding music videos was increased – from 140 projects to 160 projects – and funding was again provided for C4 and for a New Zealand music show on Juice TV.

NZ On Air funding – for albums, radio singles, music videos, radio hits, radio shows and for the New Zealand music work of the six b.net student radio stations – is a big part of our contribution to the local content campaign, but some of NZ On Air’s most effective work in New Zealand music has nothing to do with giving out grants.

The Kiwi Hit Disc and the work of NZ On Air’s New Zealand music promotions team (the pluggers) is at the heart of the campaign. This year, we produced another 11 Kiwi Hit Discs and delivered those discs to every radio station in the land, from the big national networks like ZM and The Rock to schoolyard radio stations like Red Hot FM at Rangiora High. The Kiwi Hit Disc catalogue is now 83 volumes deep.

The pluggers – Tania Dean who works Auckland and network radio, and Emily Upston who works radio outside Auckland and puts the hit discs together – worked tirelessly behind the scenes to make sure that those hit discs infiltrated and impacted on radio.

This year, one of our team, Nicky Donoghue, moved on to motherhood. Nicky had been with the New Zealand music promotions team for six years and had been a tower of strength and a champion for New Zealand music throughout. NZ On Air and New Zealand music are indebted to Nicky for her great contribution to the cause.

In 2005/2006, NZ On Air’s new Phase Five international New Zealand music promotion plan picked up momentum.

In November, a Phase Five New Zealand music sampler appeared on the cover of the influential UK music trade magazine *Music Week*, and in January, the first of the Phase Five “Five-by-Five” samplers – five songs and five music videos by five artists – was released in the US and in Australia in March. The first disc featured songs by Pluto, The D4, The Bleeders, Goldenhorse and SJD.

The second Five-by-Five was released in the US in March and in Australia in April. It featured songs by Elemeno P, Die! Die! Die!, The Brunettes, The Phoenix Foundation and Anika Moa.

Part of the Phase Five plan involves partnering with New Zealand repertoire owners to split the costs of a radio plugging campaign to work a debut single by a New Zealand artist in one of the four Phase Five target territories – Australia, the US, the UK and Canada.

At year’s end, three such joint-venture projects had delivered impressive, concrete results – Greg Johnson’s song **Save Yourself** was added to the playlists of 50+ US radio stations and debuted on the FMQB Triple A airplay chart; Katchafire’s song **Who You With** achieved high rotate airplay on radio in Hawaii, which gave Mai Music the opportunity to ship 10,000 albums in Hawaii and achieve a Billboard World Music Chart Top 5 place; and **You Are** by Elemeno P was the #10 most-added song on Australian radio for two weeks in March, picking up something like 60 radio playlist adds.

The NZ On Air Phase Five plan has been designed to complement the work of the NZ Music Industry Commission and its Outward Sound overseas market development funding programme. Through the year, NZ On Air worked closely with the Music Commission, and the Outward Sound manager in particular, to ensure complementarity and co-operation.

A full list of the New Zealand music projects funded by NZ On Air this year can be found on pages 61 to 64.



Māori Broadcasting

As it has been in recent years, NZ On Air's Māori broadcasting strategy, Te Rautaki Māori, was the basis for, and drove the agency's work in support of, Māori television broadcasting. The strategy's aim is to enhance the on-screen outcomes for mainstream Māori programming.

Tainui Stephens continued in his role as NZ On Air's Kai Urungi, providing advice and a liaison point for those making Māori stories for television. This resulted in a diverse range of programming across free-to-air broadcasters. NZ On Air began a review of the Rautaki in the 2005/2006 year, which is nearing completion.

During the year, funding was provided for a range of documentaries to be broadcast as part of TV3's **Inside New Zealand** documentary strand and on TV ONE. **Mai Time** continued its run, and a further series of the animated **bro'Town** comedy series was supported.

A range of programmes with Māori content was funded, including **Tu Te Puehu** and a documentary about the 40th anniversary of the Māori Queen's coronation, **Tiaho Po – Te Arikiniui – 40 Years**. Children's programmes

supported with NZ On Air funding, such as **Studio 2**, **What Now?** and **The Go Show**, all promote Māori language and culture.

And spreading the net more widely, the concert **Na Ratou Ma Tatou** was funded for broadcast on Māori Television (MTS). MTS has continued to grow, offering a welcome dimension to New Zealand television.

NZ On Air acknowledges that Te Māngai Pāho (TMP) is the primary funder for MTS, but recognises the importance of programmes that are reflective of a Māori perspective, predominantly in English, that this organisation may support for free-to-air broadcast.

In November and December of 2005, two hui were held in Auckland to discuss issues surrounding the production of Māori programmes. The gatherings brought together a wide-ranging group of industry professionals.

On radio, NZ On Air funding supports Māori broadcasting in a number of ways. The funding agreement with Radio New Zealand requires National Radio to produce and broadcast an agreed amount of programming that promotes Māori language and culture. In 2005/2006, National Radio reported a total of 309 hours of programming that met this objective, against a target of 350 hours. The key reason for this shortfall was a change during the year in the provider of Māori news and current affairs. **Waatea News** featured in National Radio's **Morning Report** and **Checkpoint**, while **He Rourou** broadcast during **Afternoons with Jim Mora**, and **Waita and Mana Korero** featured on Sunday evenings.

Elsewhere on the radio dial, NZ On Air-funded programme **Te Puutake** profiled youth issues, and **Paakiwaha** looked at current issues, in English, from a Māori perspective.

This year, NZ On Air continued to produce its Māori language and kaupapa music compilations – the Iwi Hit Disc. The discs, featuring contemporary Māori music artists, are sent out to every radio station in the country up to four times a year. This year, the 19th Iwi Hit Disc was produced.

Māori artists also feature on the monthly Kiwi Hit Disc compilations and in NZ On Air's regular music funding schemes like music videos and the New Artists scheme.

NZ On Air continued to look for opportunities to partner with Māori artists and Māori music producers to produce "te reo radio hits". The Te Reo Radio Hits initiative is an attempt to achieve a genuine commercial radio hit with a te reo song. Artists who we have worked with to date as part of the Te Reo Radio Hits initiative include, Whirimako Black, Dam Native and Ruia.

We again partnered with Livingstone Productions and MTS to offer Te Reo Radio Hits funding as part of the prize package for the winner of the Toru television talent quest.

Archives

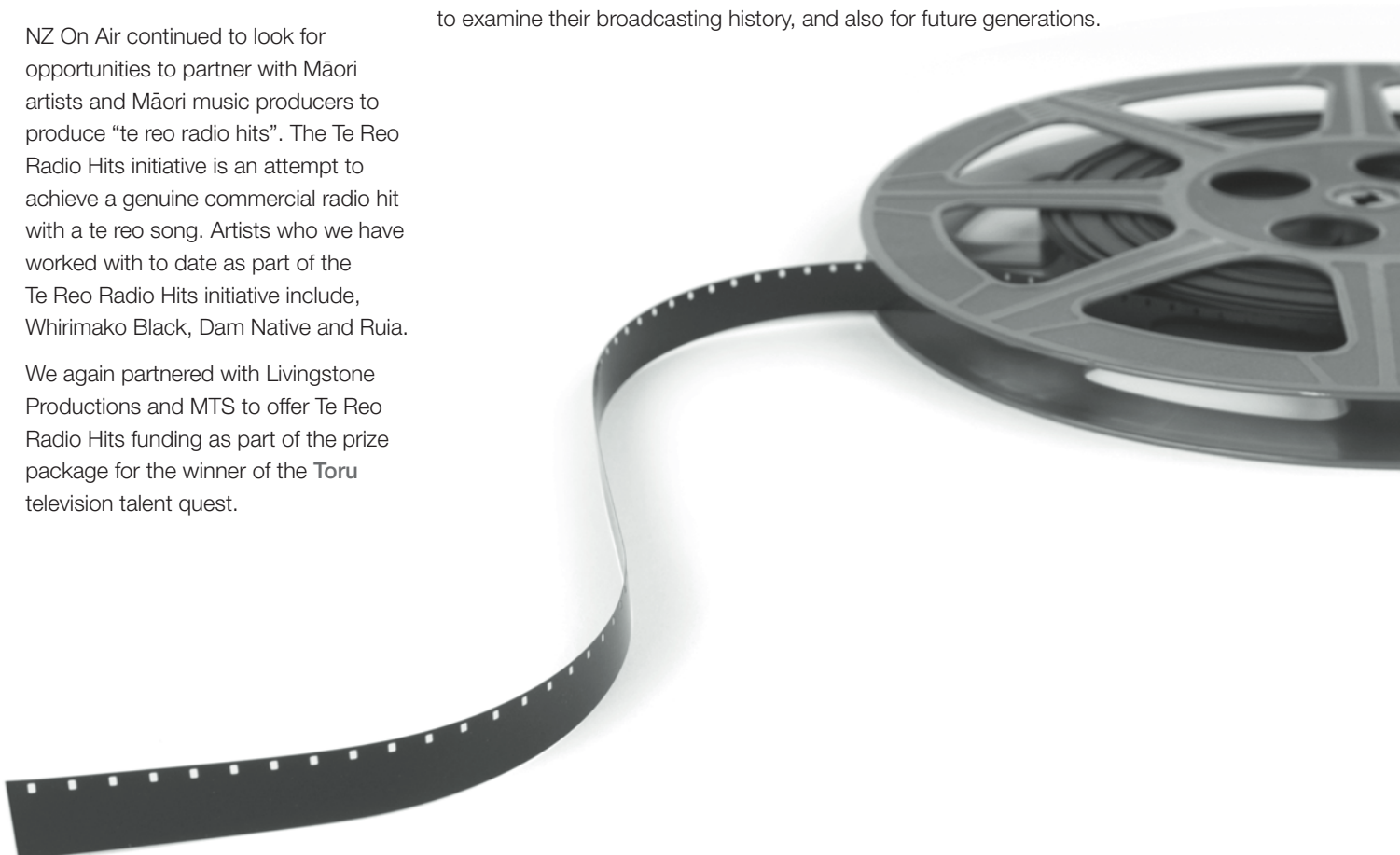
A total of \$1.164 million of NZ On Air funding was allocated to archiving services in the 2005/2006 year. The National Television Collection is managed by the New Zealand Film Archive (NZFA), and Sound Archives/Ngā Taonga Kōrero (SA/NTK) looks after radio archiving.

During the year, the NZFA selected 1,325 hours of television programmes for archiving and carried out preservation work on another 261 hours of programmes. SA/NTK archived 1,971 hours of a range of New Zealand radio and carried out preservation work on another 1,692 hours. Both archives effectively met or exceeded their contractual targets for the year.

Annual funding was increased for NZ On Air's archiving service providers to enable them to provide enhanced services.

This was the final year of the current funding agreements in place for both the NZFA and SA/NTK. At the time this report was being written, negotiations were well underway for funding agreements for 2006/2007 and beyond.

NZ On Air is continuing to explore the implications developing digital storage systems have for archiving services, and will work closely with stakeholders to ensure effective and efficient archives can be kept to enable New Zealanders to examine their broadcasting history, and also for future generations.





Transmission

NZ On Air budgeted \$0.09 million to maintain non-commercial radio transmission services to remote areas. No applications were received during the year, so no commitment was made.

NZ On Air's policy is to provide one-off capital funding to ensure the availability of a primary strength community radio service to communities of 400+ people if no such service is currently provided.

TV ONE and TV2 are now simultaneously broadcast via a digital satellite platform, and NZ On Air no longer has a mandate to maintain television transmission services in non-commercial areas.

Staff Changes

There has been some movement in NZ On Air's staff through the 2005/2006 year. Television Manager Simon Phillips resigned in November, and we were fortunate to secure the services of Kathryn Quirk to act as Television Manager for a lengthy period as NZ On Air embarked on a staff review to ensure continuity of business.

Aileen O'Sullivan joined us on a temporary basis to support Kathryn and the rest of the television team.

In May of 2005, NZ On Air's Manager, Project and Financial Analysis, Simon Ball left to return to his native UK, and was replaced by Elaine Wong, who quickly settled in to maintain this important area of the agency's work.

Deputy Television Manager Sally Courche, who was on parental leave, opted not to return to the newly created position managing policy and research, and Shona Geary,

who had replaced her on a fixed-term contract, remained with NZ On Air until the contract's end in June.

Chief Executive Jo Tyndall, seconded to the Ministry for Culture & Heritage as Director, Digital Broadcasting Strategy, resigned at the end of June.

I have agreed to continue as acting Chief Executive until the recruitment process for a successor for Jo is complete.

NZ On Air is fortunate to have been able to secure highly experienced and talented staff, both as permanent and temporary appointments and, in the weeks and months ahead, will consolidate its human resource capital to ensure that the high standards the agency has set will continue to be maintained and enhanced.

I will close this report by thanking the NZ On Air Board for outstanding support and excellent stewardship during the year, and the staff for their passion and dedication, and the amazing results they have achieved.

 **Bernard Duncan** Acting Chief Executive



Financial Statements

> Statement of Responsibility

for the year ended 30 June 2006

The Board and management of the Broadcasting Commission (NZ On Air) is responsible for:

- the preparation of these financial statements and the judgements used therein; and
- 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 Board and management, these financial statements for the year ended 30 June 2006 fairly reflect the financial position and operations of NZ On Air.



Don Hunn Chairman



Bernard Duncan Acting Chief Executive

17 October 2006

> Statement of Accounting Policies

for the year ended 30 June 2006

The following accounting policies have been applied in the preparation of the financial statements for the year ended 30 June 2006.

REPORTING ENTITY

The Broadcasting Commission (NZ On Air) was established by the Broadcasting Act 1989 and is a Crown Entity in terms of the Public Finance Act 1989. The functions and procedures of NZ On Air are set out in the Broadcasting Act 1989. The financial statements are prepared in accordance with the First Schedule of the Broadcasting Act and the Public Finance Act 1989.

MEASUREMENT BASE

The measurement base adopted is that of historical cost.

ACCOUNTING POLICIES

The following accounting policies that 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 and depreciation

Fixed assets are stated at cost less accumulated depreciation. The provision for depreciation is calculated on a straight-line basis to write down the cost of the assets by equal instalments to an estimated nil residual value at the end of the economic life of the asset.

>	Computer equipment	3 years
	Office equipment	5 years
	Furniture and fittings	6 years
	Leasehold alterations	6 years

Budget figures

The budget figures are those approved by the Board at the beginning of the financial year. The budget figures have been prepared in accordance with generally accepted accounting practice and are consistent with the accounting policies adopted by NZ On Air.

Goods and services tax (GST)

The financial statements have been prepared on a GST exclusive basis.

Taxation

NZ On Air is exempt from the payment of income tax in accordance with Section 51 of the Broadcasting Act 1989.

Broadcasting services

The allocation of funds to broadcasting services is treated as expenditure when the allocation is approved by the Board and committed against the current year's income. Expenditure therefore includes funds committed but not paid out at the year end and are recorded as funding liabilities.

Cost allocation policy

All expenditure not used to fund broadcasting services has been allocated to administration expenditure.

Cash and bank and short-term deposits

These investments are recorded at cost.

Employee entitlements

Provision is made in respect of NZ On Air's liability for annual leave. Annual leave has been calculated on an actual entitlement basis at current rates of pay.

Operating leases

Operating lease payments, where the lessor retains substantially all the risks and benefits of ownership of the leased items, are charged as expenses in the periods in which they are incurred.

Revenue

Crown revenue is recognised as revenue when received. Other revenue is recognised on an accruals basis in the Statement of Financial Performance.

Income from broadcast production funding

Income from the sale of programmes is treated as income as and when received.

Direct collection costs

Direct collection costs are incurred in enforcing payment of existing Public Broadcasting Fee-payers.

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 Statement of Financial Position. Revenue and expenditure in relation to all financial instruments are recognised in the Statement of Financial Performance. Except for those items covered by separate accounting policies, all financial instruments are shown by estimated fair value.

>

Statement of Cash Flows

Cash means cash balances on hand, held in bank accounts, demand deposits, and highly liquid investments in which NZ On Air invests as part of its day-to-day cash management.

Operating activities includes cash received from all income sources of NZ On Air and records the cash payments made for the supply of goods and services.

Investing activities are those activities relating to the acquisition and disposal of non-current assets.

Financing activities comprise those activities relating to the change in equity and debt capital structure of NZ On Air.

Commitments

Funding expenditure approved by the Board by 30 June that relates to 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 they are 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 previous years.

Statement of Financial Performance

for the year ended 30 June 2006

>

		ACTUALS	BUDGET	ACTUALS
	NOTE	2005/2006 (\$000)	2005/2006 (\$000)	2004/2005 (\$000)
Income				
Crown revenue	1	100,838	100,838	94,213
Other income	2	4,730	2,000	3,473
Total income		105,568	102,838	97,686
Operating Expenditure				
Administration and consultation	3	2,780	2,510	2,487
(Recovery) in provision for doubtful debts	4	(94)	-	(173)
Total Operating Expenditure		2,686	2,510	2,314
Funding Expenditure				
Television	5	70,078	68,594	60,450
Radio	6	30,437	30,386	29,344
Transmission coverage	7	-	90	-
New Zealand music	8	4,832	4,921	4,203
Archives	9	1,164	1,164	1,104
Total Funding Expenditure		106,511	105,155	95,101
Total Expenditure		109,197	107,665	97,415
Net Surplus/(Deficit) for the year		(3,629)	(4,827)	271

The accompanying accounting policies and notes form an integral part of these financial statements.

Statement of Movements in Equity

for the year ended 30 June 2006

	ACTUALS	BUDGET	ACTUALS
	2005/2006 (\$000)	2005/2006 (\$000)	2004/2005 (\$000)
Public Equity at beginning of the year	5,940	5,827	5,669
Plus: Net Operating Surplus/(Deficit)	(3,629)	(4,827)	271
Total recognised revenues and expenses for the year	(3,629)	(4,827)	271
Total Public Equity at the end of the year	2,311	1,000	5,940

The accompanying accounting policies and notes form an integral part of these financial statements.

Statement of Financial Position

as at 30 June 2006

>

		ACTUALS	BUDGET	ACTUALS
	NOTE	2005/2006 (\$000)	2005/2006 (\$000)	2004/2005 (\$000)
Current Assets				
Cash and bank	10	57,803	44,000	51,429
Accounts receivable – General		304	100	172
Accounts receivable – Interest		1,207	-	919
Total Current Assets		59,314	44,100	52,520
Non-Current Assets				
Fixed assets	11	79	80	107
Total Non-Current Assets		79	80	107
Total Assets		59,393	44,180	52,627
Current Liabilities				
Accounts payable		371	300	194
GST payable		222	-	131
Employee entitlements		150	-	125
Funding liabilities	12	56,339	42,880	46,237
Total Current Liabilities		57,082	43,180	46,687
Public Equity		2,311	1,000	5,940
Total Liabilities and Public Equity		59,393	44,180	52,627

The accompanying accounting policies and notes form an integral part of these financial statements.

Statement of Cash Flows

for the year ended 30 June 2006

		ACTUALS	BUDGET	ACTUALS
	NOTE	2005/2006 (\$000)	2005/2006 (\$000)	2004/2005 (\$000)
Cash Flows from Operating Activities				
Cash provided from:				
Crown funding		100,838	100,838	94,213
Net broadcasting fee		94	-	135
Interest received		3,989	2,000	2,638
Other income received		321	-	348
Cash applied to:				
Funding to broadcasters and programme producers		(96,410)	(102,058)	(89,077)
Payment to suppliers and employees		(2,528)	(2,510)	(2,579)
Net GST paid		91	-	(140)
Net Cash Inflows/(Outflows) from Operating Activities	13	6,395	(1,730)	5,538
Cash Flows from Investing Activities				
Cash applied to:				
Purchase of fixed assets		(21)	-	(19)
Net Cash (Outflows) from Investing Activities		(21)	-	(19)
Net Increase/(Decrease) in Cash Held		6,374	(1,730)	5,519
Opening cash		51,429	45,730	45,910
Closing Cash		57,803	44,000	51,429
Actual Cash Balance is represented by:				
Current accounts		22	-	57
Call deposits		57,781	44,000	51,372
		57,803	44,000	51,429

The accompanying accounting policies and notes form an integral part of these financial statements.

Statement of Commitments

as at 30 June 2006

>

	ACTUALS	ACTUALS
	2006 (\$000)	2005 (\$000)
Lease Commitments		
Less than 1 year (2006/2007)	94	123
1 year to 2 years (2007/2008)	84	123
2 years to 5 years (2008/2011)	-	123
Total Lease Commitments	178	369
At balance date, NZ On Air has operating leases for premises on the 2nd floor, Lotteries Commission Building, Wellington and 1 Beresford Square, Auckland.		
Programme and Project Funding Commitments		
Less than 1 year (2006/2007)	32,965	34,993
1 year to 2 years (2007/2008)	-	26,611
Total Programme and Project Funding Commitments	32,965	61,604
Total Commitments	33,143	61,973

The accompanying accounting policies and notes form an integral part of these financial statements.

Statement of Contingent Liabilities

as at 30 June 2006

As at 30 June, NZ On Air has a contingent liability of up to \$160,261 (2005: \$160,261). The contingent liability was recorded in 2004 in relation to a possible overpayment to NZ On Air for its share of sales in a funded television programme. An audit of the distributor's accounts, commissioned in conjunction with the two other funders of the programme, was completed in 2005. An agreement has been reached based on the audit findings, but as at 30 June 2006, the document had yet to be signed by the relevant parties. The contingent liability remains until such time the agreement is signed and our liability, if any, is confirmed.

Statement of Resources

for the year ended 30 June 2006

	2006	2005
Personnel		
Members of the Commission (part-time)	6	6
Staff (full-time equivalents)	11.5	13

BROADCASTING EQUIPMENT

NZ On Air purchased broadcasting equipment at a cost of \$287,622. The cost was expensed at the time the equipment was purchased in prior years. The equipment is currently being used by Fifeshire FM, Port FM and Radio Scenicland for the extension of non-commercial community radio coverage.

The accompanying accounting policies and notes form an integral part of these financial statements.

Notes to the Financial Statements

for the year ended 30 June 2006

> 1 Crown Revenue

Following the Government's budget announcement in May 1999 that the Public Broadcasting Fee (PBF) was to be phased out by 30 June 2000, NZ On Air's main source of revenue is Crown funding.

> 2 Other Income

	ACTUALS	ACTUALS
	2006 (\$000)	2005 (\$000)
Share of income from the sale of television programmes	211	319
Interest received	4,277	2,981
Other income	242	173
Total Other Income	4,730	3,473

>

3 Administration and Consultation

	ACTUALS	ACTUALS
	2006 (\$000)	2005 (\$000)
Expenditure		
Personnel costs	1,124	1,121
Legal, public relations and expert advice	437	534
Office overheads	167	149
Consultation and research	499	150
Travel and communications	236	230
Board Members' fees	99	95
Rent	92	85
Public Broadcasting Fee collection costs	21	37
Depreciation		
Furniture and fittings	8	6
Leasehold alterations	11	17
Computer equipment	18	25
Office equipment	12	12
Audit fees for the audit of the financial statements	56	26
Total Administration and Consultation Expenditure	2,780	2,487

> **4 (Recovery) in Provision for Doubtful Debts**

	ACTUALS	ACTUALS
	2006 (\$000)	2005 (\$000)
Accounts receivable – Public Broadcasting Fee	768	862
Less provision for doubtful debts	(768)	(862)
Total Accounts Receivable – Public Broadcasting Fee	-	-

NZ On Air's Public Broadcasting Fee (PBF) collection process will continue in 2006/2007, but there is uncertainty as to the fees that will be collected. Therefore NZ On Air has taken a conservative approach, and maintained a provision for doubtful debts of \$768,000 that represents all of the outstanding PBF debtors as at 30 June 2006.

In 2005/2006, the amount of Public Broadcasting Fee cash received was \$94,000. This reduced the doubtful debt provision to \$768,000 at year-end.

> **5 Television Programme Funding**

	2006		2005	
	HOURS	FUNDING (\$000)	HOURS	FUNDING (\$000)
Drama/Comedy	81	28,911	103	29,088
Documentaries/Information/Innovation	131	13,313	107	9,619
Children & Young Persons' programmes	505	15,790	395	11,337
Arts, Culture and Performance	63	3,926	223	3,367
Special Interest programmes/Captioning	191	10,505	197	8,498
Total Production Funding	971	72,445	1,025	61,909
Less writebacks of previous years' commitments		(2,690)		(2,101)
Plus development funding		323		642
Total Programme Funding		70,078		60,450

>

6 Radio

	ACTUALS	ACTUALS
	2006 (\$000)	2005 (\$000)
Radio New Zealand		
National Radio	22,604	21,860
Concert FM	4,718	4,815
	27,322	26,675
Access and Special Interest Community Radio		
Auckland Access Radio	235	200
Radio 531pi (Auckland Pacific Island Radio)	125	125
Hamilton Access Radio	176	150
Hawkes Bay Access Radio	136	110
Wairarapa Access Radio	109	96
Manawatu Access Radio	120	100
Print Disabled Radio (Levin)	95	91
Kapiti Coast Access Radio	116	99
Wellington Access Radio	223	200
Samoa Capital Radio (Wellington)	165	150
Tasman Bays Access Radio	188	174
Christchurch Access Radio	225	200
Otago Access Radio	168	138
Southland Access Radio	154	135
Access Radio Retreat	15	15
Access Radio Development	45	32
	2,295	2,015
Programmes on Commercial Radio	820	654
Total Radio Funding	30,437	29,344

> **7 Transmission Coverage**

	ACTUALS	ACTUALS
	2006 (\$000)	2005 (\$000)
Community radio transmission coverage*	-	-
Total Transmission Coverage	-	-

* There were no applications for transmission coverage and, as such, no funding was allocated.

> **8 New Zealand Music**

	ACTUALS	ACTUALS
	2006 (\$000)	2005 (\$000)
New Zealand music on radio	4,018	3,453
New Zealand music videos	814	750
Total New Zealand Music	4,832	4,203

> 9 Archives

	ACTUALS	ACTUALS
	2006 (\$000)	2005 (\$000)
Television		
New Zealand Film Archive	609	574
Radio		
Sound Archives Ngā Taonga Kōrero	555	530
Total Archives	1,164	1,104

> 10 Cash and Bank

	ACTUALS	ACTUALS
	2006 (\$000)	2005 (\$000)
Cash comprises deposits with registered banks and treasury bills		
Current accounts	22	57
Call deposits	57,781	51,372
Total Cash at Bank	57,803	51,429

> **11 Fixed Assets**

	ORIGINAL DEPRECIATION	ACCUMULATED	BOOK VALUE
	(\$000)	(\$000)	(\$000)
2006			
Computer equipment	279	249	30
Furniture and fittings	187	174	13
Leasehold improvements	213	192	21
Office equipment	87	72	15
Total Fixed Assets – as at 30 June 2006	766	687	79
2005			
Computer equipment	262	234	28
Furniture and fittings	180	165	15
Leasehold improvements	212	180	32
Office equipment	93	61	32
Total Fixed Assets – as at 30 June 2005	747	640	107

> **12 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:

	ACTUALS	ACTUALS
	2006 (\$000)	2005 (\$000)
Television programmes	52,049	42,852
Radio, music, archiving, and non-commercial transmission coverage	4,290	3,385
Total Funding Liabilities	56,339	46,237

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

> **13 Reconciliation of Net Surplus with Net Cash Flows from Operating Activities**

	ACTUALS	ACTUALS
	2006 (\$000)	2005 (\$000)
Net surplus/(deficit) from operations	(3,629)	271
Add non-cash items:		
Depreciation	49	60
	(3,580)	331
Add (less) movements in working capital items:		
– (Increase) in accounts receivable	(420)	(487)
– Increase/(decrease) in GST payable	91	(140)
– Increase/(decrease) in accounts payable (including employee entitlements)	203	(190)
– Increase in funding liability	10,101	6,024
	9,975	5,207
Net Cash Inflow/(Outflow) from Operating Activities	6,395	5,538

> **14 Financial Instruments**

Interest rate risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. NZ On Air's investments include on-call deposits and short-term deposits. NZ On Air does not hold financial derivatives providing interest rate protection. NZ On Air is primarily a short-term investor and carries any interest rate risk itself.

Concentration of credit risk

Credit risk is the risk that a third party will default on its obligation to NZ On Air, causing NZ On Air to incur a loss.

NZ On Air has a minimal credit risk in its holding of various financial instruments. These instruments include cash, bank deposits, and accounts receivable.

NZ On Air places its investments with institutions that have a high credit rating. There is no significant concentration of credit risk.

Foreign currency risk

There is no exposure to foreign currency risk.

> **15 Employee Remuneration**

During the year, the number of employees of NZ On Air, not being members, who received remuneration and other benefits in excess of \$100,000 were:

	NUMBERS OF EMPLOYEES	
	2006	2005
Salary Band		
\$100,000 to \$110,000	-	1
\$110,000 to \$120,000	1	1
\$180,000 to \$190,000	1	-
\$210,000 to \$220,000	-	1*
\$230,000 to \$240,000	1*	-

*Chief Executive's total remuneration

During the year, two employees who ceased to be employed by NZ On Air were paid in compensation the total sum of \$17,885.

> **16 Board Fees**

	ACTUALS	ACTUALS
	2006 (\$000)	2005 (\$000)
Don Hunn (Chairman)	29	29
Judy Callingham (Deputy Chair)	14	14
James Coleman	14	14
Edie Moke	14	14
Gaylene Preston	14	12
Paul Smith (appointed October 2004)	14	12
Total Board Fees	99	95

> 17 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 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 Board has an interest in a NZ On Air project, this interest is disclosed and the member does not take part in decisions relating to that project.

Chairman Don Hunn, at the time of his nomination to the Board of the Royal New Zealand Ballet, declared interests in two projects relating to Television New Zealand. NZ On Air funded \$496,218 to Television New Zealand in relation to these projects.

Board Member James Coleman declared interests in projects related to Visionary Film and TV, C4 Television and The Down Low Concept. NZ On Air funded \$248,148 to Visionary Film and TV, \$300,000 (2005: \$400,000) to C4 Television and \$348,500 (2005: \$347,770) to The Down Low Concept in relation to these projects.

Acting Chief Executive Bernard Duncan declared an interest in a project relating to Television New Zealand. NZ On Air funded \$101,288 to Dexterity Productions in relation to this project.

Policy and Research Manager Shona Geary declared an interest in a project relating to Pacific Crews Ltd. NZ On Air funded \$363,880 in relation to this project.

> 18 Comparative Numbers

Certain prior year numbers have been restated to ensure consistent comparison with the current year numbers.

> 19 Post Balance Date Events

There have been no material events subsequent to 30 June 2006 (2005: nil).

> 20 Adoption of International Financial Reporting Standards

NZ On Air will engage a consultant to assist with the conversion to comply with the New Zealand equivalents to the International Financial Reporting Standards (NZ IFRS). Initial reviews have indicated there may be significant changes in the recognition of funding expenditure in relation to NZ IAS 37 – *Provisions, Contingent Liabilities and Contingent Assets*. However, until the reviews are complete, the full impact of adoption of NZ IFRS will not be known. NZ On Air will adopt NZ IFRS for the first time for the year ending 30 June 2008.

Statement of Objectives and Service Performance

for the twelve months ending 30 June 2006

Introduction

This statement reports on NZ On Air's performance in relation to the objectives and targets set in its Statement of Intent for the twelve months ending 30 June 2006.

1.0 Programme Funding

1.1 Television Programmes

OBJECTIVES	OUTCOMES
<p>To achieve a diverse range of excellent locally produced programmes that are pervasive on New Zealand television screens, and which New Zealanders will enjoy watching.</p> <p>To be recognised as an independent, expert agency with primary responsibility for funding and monitoring public interest programming on television.</p>	<p>There will be a strongly visible presence of New Zealand content across a range of free-to-air broadcasting services.</p> <p>Locally produced programmes will be well received by their intended audiences, with audience satisfaction levels maintained or increased.</p> <p>Television broadcasters will be encouraged to take more risks with programmes made with NZ On Air funding.</p> <p>A stronger sense of New Zealand identity will be fostered and promoted through funding creative and innovative local production, including programming that reflects our bicultural base, our multi-cultural society and our place as a South Pacific nation.</p>

PERFORMANCE TARGETS
<p>QUANTITY AND COST</p> <p>In keeping with the above objectives and strategic actions, NZ On Air will allocate funding to the specific genres as follows:</p>

TELEVISION PROGRAMME FUNDING		BUDGET 2005/2006		ACTUAL 30 JUNE 06	
Programme Type	Target Hours	Funding \$ million	Actual Hours	Funding \$ million	
Drama (Note 1)	57	21.26	47.0	22.97	
Comedy	36	6.10	34.0	5.94	
Children's drama (Note 2)	16	5.50	8.0	3.13	
Documentaries (Note 3)	106	9.60	126.5	11.81	
Special Interest programming:					
– Children and young people (Note 4)	435	11.70	497.0	12.66	
– Arts, culture and performance (Note 5)	130	3.60	63.0	3.93	
– Innovation (Note 6)	8	0.70	4.5	1.50	
– People with disabilities, including Teletext (Note 7)	85	2.90	54.0	2.39	
– Ethnic minorities (Note 8)	59	3.25	88.5	4.54	
– Other minorities	51	2.40	48.0	2.68	
Development	-	0.70	N/A	0.32	
Regional television (Note 9)	-	0.89	N/A	0.89	
TOTAL	983	68.60	970.5	72.76	
Children's repeats (Note 10)	230				

- Note 1** This category was under-achieved by 10 hours due to there being no low-budget drama submitted for funding consideration.
- Note 2** Under-achievement in this category was exacerbated by funds in this genre being carried over in the two previous funding years. Recurring under-achievement in this genre has been reflected in the planning for the 2006/2007 year.
- Note 3** This category was over-achieved, as planned, to compensate for the underage created by the cancellation of the DNZ and TV2 Documentary strands.
- Note 4** This category was over-achieved, as the use of public equity reserves enabled funding of programming that would otherwise have been funded from the 2006/2007 financial year, thereby reducing some of the pressure this budget category will be under in the new financial year.
- Note 5** The cancellation of the Top of the Pops family of shows by TVNZ, that had been allowed for in SOI planning, made achievement of target hours in this category impossible. These shows had created a greatly increased hours achievement in the previous two years.
- Note 6** Public equity reserves enabled the funding of an additional application to the Innovation Initiative. Innovation is an important area of focus for NZ On Air.
- Note 7** This target was under-achieved as Captioning was funded for a six-month period only to allow Captioning funding to be brought into line with the TVNZ and NZ On Air fiscal year. In the 2006/2007 SOI Captioning hours are not included in the target as they are not, strictly speaking, production hours.
- Note 8** This target was over-achieved as, once again, public equity was used to fund programmes that otherwise would have been funded from the next fiscal year.
- Note 9** In 2005/2006, for the first time, an allocation of funding for regional television has been made. A funding policy was formulated and applications were considered against set criteria. Funding decisions were made at the December 2005 Board meeting.
- Note 10** The Television Local Content Group has recommended the inclusion of a benchmark for repeat screenings of children's programmes, in recognition of the value of repeats to a young audience. NZ On Air has examined the results of the Local Content Survey 2003 and 2004 to identify the benchmark of 230 hours. These hours are not included in the total target hours.

QUALITY

Levels of audience support for the programmes and services funded by NZ On Air will be maintained or increased. This will be measured against benchmarks established in 2000/2001:

- Around 70% or more of respondents in a major survey believe it is important for NZ On Air to fund programmes such as children's programmes, in-depth documentary, programmes for people with disabilities, drama and children's drama.
- 75% or more of respondents in a major survey agree that NZ On Air supports programmes and services that are important to New Zealanders.
- 62% of respondents in a major survey believe that the amount of New Zealand-made TV programmes should increase.

40% of NZ On Air fully funded programmes are re-screened on national or regional channels. (Note that timing differences between funding and broadcast may mean that benchmarks cannot be established until 2005/2006.)

At least one symposium focusing on areas of interest to NZ On Air television funding will be held.

ACTUAL PERFORMANCE

The results of the *Public Information and Opinion Monitor* were published in November 2005.

Research carried out by TNS for the *2005 Public Information Monitor* shows that 78% of respondents believe it is important for NZ On Air to fund these programmes.

The *2005 Public Information Monitor* shows that 77% of respondents believe that NZ On Air supports programmes and activities that are important to New Zealanders.

The *2005 Public Information Monitor* shows that 53% of respondents believe that the amount of New Zealand-made TV programmes should increase.

Results of the 2005 Local Content Survey for the 2005 calendar year show that regional broadcasters re-screened 359 hours (248 first run and 111 repeat) of programming fully funded by NZ On Air.

However, measurement of this target is not readily achieved or necessarily meaningful. The allocation of funding specific to regional television makes this target less relevant, so the target will be removed from the next Statement of Service Performance.

A drama symposium was held in July 2005 in Auckland. Two hui on the production of Māori programmes were also held in Auckland in November/December 2005.

1.2 Radio

NATIONAL RADIO AND CONCERT FM

OBJECTIVES	OUTCOMES
<p>To ensure that a wide range of quality programmes that promote New Zealand culture and identity – including the unique dimension of Māori language and culture – are broadcast on National Radio and Concert FM.</p> <p>To promote innovation and diversity in the programming on Radio New Zealand's networks.</p>	<p>New Zealanders will have access to a wide range of quality radio services that provide a diversity of programming reflecting New Zealand identity and culture.</p> <p>The skill base of the creative industries will be enhanced through experience and exposure on New Zealand's public radio services.</p>

PERFORMANCE TARGETS

QUANTITY

The Charter functions and programme hours devoted to the fulfillment of these functions are:

Charter Function (Note 1)	TARGET HOURS 2005/2006		CONCERT FM (Note 2)		ACTUAL HOURS 30 JUNE 2006		CONCERT FM	
	Broadcast Hours	% Total Hours	Broadcast Hours	% Total Hours	Broadcast Hours	% Total Hours	Broadcast Hours	% Total Hours
A. Intellectual, scientific and cultural development. Informed debate and critical thought.	7,446	85%	(Note 2)		7,595	87%	(Note 2)	
B. Information, special interest and entertainment. Reflect cultural diversity including Māori language and culture.	7,534	86%	(Note 2)		8,027	92%	(Note 2)	
C. Varied interests within the community. Information, educational, special interest and entertainment.	1,664	19%	8,760	100%	1,323	15%	8,760	100%
D. Musical, dramatic and performing arts. New Zealand and international composers, performers and artists.	2,014	23%	8,497	97%	1,732	20%	8,472	97%
E. Nationwide service, highest quality. Sense of citizenship and national identity.	8,760	100%	(Note 2)		8,760	100%	(Note 2)	
F. Comprehensive independent, impartial, balanced news and current affairs. Regional perspective.	2,628 (Note 3)	30%	175	2%	2,327	27%	215	2%
G. Comprehensive independent, impartial, balanced international news and current affairs.	1,084	12%	85	1%	1,130	13%	73	1%

Note 1 Particular programmes produced and broadcast by either National Radio or Concert FM have been assessed in terms of the contribution that the programme makes to Radio New Zealand's statutory Charter functions. Most programmes contribute to more than one Charter function.

Note 2 While Concert FM's programmes may broadly meet the intentions of Charter functions A, B and E, its primary role is to provide services intended by function D.

Note 3 In NZ On Air's Statement of Intent for 2005/2006 this target was stated as 2,690 and 28%. The Minister of Broadcasting subsequently agreed to amend it to 2,628 and 30%.

The funding agreement also requires Radio New Zealand to deliver services to NZ On Air to meet its responsibilities under the Broadcasting Act 1989. They are:

Types of Programmes and Services	TARGET HOURS 2005/2006		ACTUAL HOURS 30 JUNE 2006	
	National Radio	Concert FM	National Radio	Concert FM
Total broadcast hours, including:	8,760	8,760	8,760	8,760
New Zealand content programmes which includes:	7,505	-	8,027	-
• Māori language and culture	350	-	309	-
• Special interest	339	-	352	-
• New Zealand drama	194	-	308	-
% of New Zealand music on rotate (Note 1)	33%	-	39%	-
% of New Zealand music composition	-	3%	-	4%
% of New Zealand music performance	-	14%	-	14%
% of population able to receive transmission (Note 2)	97%	92%	97%	92%

Note 1 In addition to the New Zealand music content on rotate, National Radio produces and broadcasts feature programmes on New Zealand music.

Note 2 This is the proportion of the population able to receive National Radio and Concert FM via terrestrial transmission. As a result of an arrangement with Sky Television, 100% of the country is able to access a National Radio or Concert FM signal via a Sky satellite dish and decoder.

QUALITY	ACTUAL PERFORMANCE 30 JUNE 2006
<p>Overall audience satisfaction levels, as measured in Radio New Zealand's annual independent surveys, should not fall below 80% in the case of National Radio and 75% in the case of Concert FM, based on a realistic assessment of levels achieved in the 2000/2001 year. Other qualitative benchmarks should not fall below the levels achieved in the last survey in 2004.</p> <p>NZ On Air will work with Radio New Zealand to establish whether such things as international public broadcasting benchmarks and/or other qualitative tools might provide a valuable basis to assess the quality of the broadcaster's programming and presentation.</p>	<p>Radio New Zealand conducted its annual qualitative and quantitative survey in mid-2005. The survey found that both National Radio and Concert FM's cumulative audiences are similar to those recorded in 2004. Audience satisfaction levels of 86% and 85% for National Radio and Concert FM respectively were recorded. The National Radio figure is similar to the previous year (89%) and Concert FM's satisfaction rating has improved from 78% in 2004.</p> <p>NZ On Air and Radio NZ continue to discuss what sort of international comparative measurement might be appropriate and valuable to establish benchmarks. Radio NZ is currently party to an international public broadcasting Key Performance Indicator measurement system developed in the past five years.</p>

COST	ACTUAL COMMITTED EXPENDITURE 30 JUNE 2006		
National Radio	\$21,459,000	National Radio	\$21,459,000
Concert FM	\$4,718,000	Concert FM	\$4,718,000
Radio New Zealand International and Sound Archives/Ngā Taonga Kōrero	\$136,000	Radio New Zealand International and Sound Archives/Ngā Taonga Kōrero	\$136,000
National Radio FM migration	\$1,009,000	National Radio FM roll out	\$1,009,000
TOTAL COST OF NATIONAL RADIO AND CONCERT FM	\$27,322,000	TOTAL COST	\$27,322,000

ACCESS AND PACIFIC ISLAND RADIO

OBJECTIVES	OUTCOMES
<p>To ensure that a range of broadcasts are provided that reflect the interests of women, youth, children, persons with disabilities and minorities (including ethnic minorities), and the diverse religious and ethical beliefs of New Zealanders.</p>	<p>Diverse public radio programming will be available across a range of public radio outlets.</p> <p>The interests of women, youth, children, persons with disabilities, minorities in the community (including ethnic minorities) and non-profit community groups will be adequately represented in radio, as will the diverse religious and ethical beliefs of New Zealanders.</p> <p>Special interest audiences – including Pacific Island audiences – will be catered for in areas of significant population.</p>

PERFORMANCE TARGETS

QUANTITY	ACTUAL PERFORMANCE 30 JUNE 2006
<p>NZ On Air will contribute funding to 11 access radio stations, which serve communities of 50,000-plus population in Auckland, Hamilton, Hawkes Bay, Manawatu, Wairarapa, Kapiti Coast/Horowhenua, Wellington, Nelson/Tasman Bays, Christchurch, Dunedin and Invercargill. The Radio Reading Service for the print disabled, based in Levin, will also receive funding.</p> <p>Pacific Island community radio services, provided by Radio 531pi in Auckland and Samoa Capital Radio in Wellington, will continue.</p> <p>NZ On Air will encourage retransmission of Pacific Island and Māori programmes to a wider audience.</p> <p>Additional funding of \$222,000 will provide enhanced programming and community radio services.</p>	<p>Funding for the 2005/2006 year was allocated to the 11 access stations listed at NZ On Air's August 2005 meeting, and the Board approved funding for NZ Radio for the Print Disabled at its December meeting.</p> <p>Funding for the 2005/2006 year for Radio 531pi and Samoa Capital Radio was approved by the NZ On Air Board at its June 2005 meeting.</p> <p>Te Puutake (broadcast on George FM and iwi and high school stations) is also broadcast on access radio.</p> <p>Paakiwaha (broadcast on iwi radio) also broadcasts on a number of access stations.</p> <p>As at 30 June 2006, almost all of the additional radio funding had been allocated to address increased costs, upgrade equipment, and to initiate a variety of projects designed to improve community radio services. Funding recipients included access radio stations in Auckland, Hamilton, Hawkes Bay, Kapiti Coast/Horowhenua, Masterton, Wellington, Christchurch, Dunedin and Southland.</p>

QUALITY

ACTUAL PERFORMANCE 30 JUNE 2006

An average of 60% of the programmes broadcast across the funded access radio stations will meet the needs of the groups specified in Section 36(c) of the Broadcasting Act.

The guidelines in *Radio Diversity*, the handbook for New Zealand community access radio developed by NZ On Air, will be consulted and followed by access radio trusts, boards, management, volunteers and staff.

An annual retreat for access radio managers will be held.

Access stations will be assisted with the transition from AM to FM broadcasting where necessary and desirable, in a cost-effective manner.

Pacific Island radio services will provide a range of programming suitable for Pacific Island audiences as determined through consultation.

While the level of Section 36(c) programming broadcast varies from station to station, and across the year, an average of between 60% and 70% of the programmes broadcast across the access radio group meets NZ On Air's objectives under Section 36(c) of the Broadcasting Act 1989. Funded access stations in Nelson/Tasman Bays and Hamilton report recent strong growth in Section 36(c) programming.

Station management have commented on the value of *Radio Diversity* in guiding station operation, particularly when issues surrounding governance and management arise. *Radio Diversity* has been produced in such a way that it is easily updateable to meet with changes as they occur in the access radio environment.

NZ On Air hosted managers from access radio stations at a retreat in Akaroa in July 2005. A retreat is also planned for August 2006.

At the July 2005 retreat, managers discussed a variety of issues, including:

- funding and increased costs
- financial and achievement reporting
- FM frequencies
- future developments.

No new access radio frequencies have been allocated during this reporting period.

Both Radio 531pi and Samoa Capital Radio provide a range of programmes for Pacific Island audiences in Auckland and Wellington. 531pi broadcasts programmes in at least eight Pacific Island languages. Samoa Capital Radio broadcasts a variety of programmes to keep Wellington's Samoan community informed and entertained.

COST

ACTUAL COMMITTED EXPENDITURE 30 JUNE 2006

Access Radio	\$2,068,400	Access Radio	\$2,004,827
Pacific Island Radio	\$275,000	Pacific Island Radio	\$290,000
TOTAL COST OF ACCESS AND PACIFIC ISLAND RADIO	\$2,343,400	TOTAL COST	\$2,294,827

COMMERCIAL RADIO PROGRAMMES

OBJECTIVES	OUTCOMES
<p>To ensure that programmes for young New Zealanders are broadcast on mainstream commercial radio.</p> <p>To ensure that a range of radio programmes focusing on spiritual/ethical beliefs, Māori issues, drama and comedy are produced and widely broadcast.</p>	<p>The interests of youth and children will be reflected through dedicated radio shows broadcast on mainstream commercial radio.</p> <p>Spiritual and ethical values will be promoted and reflected on commercial radio.</p> <p>Locally produced drama and/or comedy will be broadcast on mainstream commercial radio in New Zealand.</p> <p>New Zealand audiences, including Māori, will be better informed on current issues from a Māori perspective.</p>

PERFORMANCE TARGETS

QUANTITY	ACTUAL PERFORMANCE 30 JUNE 2006
<p>At least 150 hours of youth-focused programming will be produced for broadcast on at least 20 radio stations each or on commercial radio networks with equivalent audience reach.</p> <p>At least one spiritual/values-based radio series, and Easter and Christmas specials will be produced and broadcast on at least 20 radio stations each or on commercial radio networks with equivalent audience reach.</p> <p>Up to two radio drama and/or comedy series will be produced and broadcast on commercial radio and up to two development projects will be funded.</p> <p>Up to two English-language current affairs series, which are produced with a Māori perspective, will be broadcast.</p>	<p>Youth programmes Upload and Te Puutake, and children's series Small World and That's The Story, have had funding approved for the 2005/2006 year, and are broadcasting on a variety of stations. This represents almost 200 hours of programming.</p> <p>Spiritual/ethical series Scrubcutter continues to broadcast on Newstalk ZB and Radio Rhema. Christmas and Easter specials were broadcast on Newstalk ZB and Radio Sport.</p> <p>The radio comedy series Radio Station was funded for broadcast on George FM. A satirical radio series for broadcast on Radio Live, Off The Wire, was funded at the June 2006 meeting.</p> <p>The English-language Māori issues series Paakiwaha continued to broadcast through the 2005/2006 financial year.</p> <p>In addition to these radio programmes, funding for a series detailing and explaining the daily workings of Parliament, Parliament Today, was approved for broadcast on the Radio Live network.</p>

QUALITY	
<p>Target audience feedback, audience numbers, numbers of radio outlets and award nominations and commendations will measure audience acceptance and high standards. This will be monitored throughout the year.</p> <p>Drama and/or comedy projects will be widely broadcast and audience feedback will be monitored.</p> <p>NZ On Air symposia will address and include radio issues and initiatives.</p>	<p>Feedback from stations broadcasting NZ On Air funded programmes is positive, and Te Puutake won the NZ Radio Award for best ethnic or access music programme. Both Te Puutake and children's programme That's The Story received special commendations in the best daily or weekly series category.</p> <p>Monitoring continues. Anecdotally, the series funded in the past year have good audience following and sustained radio broadcast commitment.</p> <p>Radio drama and comedy issues will continue to be addressed and explored at NZ On Air drama and comedy symposia, as and when they occur.</p>

COST		ACTUAL COMMITTED EXPENDITURE 30 JUNE 2006	
TOTAL COST OF COMMERCIAL RADIO PROGRAMMES	\$721,000	TOTAL COST (Note 1)	\$820,373

Note 1 The overspend in the radio budget was accommodated through the use of public equity.

1.3 NZ Music

OBJECTIVES	OUTCOMES
<p>To get more New Zealand music played on New Zealand radio, focusing on commercial radio as a strategic priority, and to increase the range of quality New Zealand music heard on commercial radio.</p> <p>To exploit opportunities to promote difference and diversity in New Zealand music so that those making music outside the commercial mainstream are also heard.</p>	<p>There will be more New Zealand music on New Zealand radio – in terms of both quantity and range – so that more New Zealanders hear more New Zealand music.</p> <p>New Zealand music will be vigorously promoted at commercial radio so that New Zealand music cannot be ignored.</p> <p>Effective partnerships with key radio industry and music industry interests will be forged.</p> <p>There will be outlets on the radio dial that champion diversity and provide an opportunity for New Zealand music other than commercial music to be heard.</p>

PERFORMANCE TARGETS

QUANTITY	ACTUAL PERFORMANCE 30 JUNE 2006
<p>Up to 20 new albums by New Zealand artists with a proven commercial radio track record will be funded (matching funding of at least \$50,000 from the record company involved with the project).</p> <p>Up to 40 radio singles by new New Zealand artists who have commercial radio airplay potential and up to three te reo singles with commercial radio airplay potential will be part funded.</p> <p>Partnerships will be established with music television providers that will increase the opportunities for music videos to play on free-to-air television.</p> <p>An annual NZ Music Awards ceremony will be broadcast on national free-to-air television.</p> <p>At least 160 music videos by New Zealand artists will be funded for broadcast on every music video outlet on air.</p> <p>An international radio (and music television) airplay plan will be implemented, resulting in</p> <p>(a) the production of up to six five-act New Zealand music sampler CD/DVDs for distribution to selected tastemakers in radio and the music media in Australia, the US, Canada and the UK</p>	<p>Funding has been committed for 20 albums.</p> <p>Funding for 40 New Recording Artist projects has been approved.</p> <p>Funding for the C4 music television channel has been approved, with minimum levels of NZ music content as a condition of funding.</p> <p>Funding for a NZ music show called NZOwn on Juice TV has also been approved.</p> <p>Funding was approved for the broadcast on C4 and TV3 of the 2005 NZ Music Awards and an application for funding for the 2006 event has been received.</p> <p>Funding for 163 music videos has been approved.</p> <p>Two Phase Five five-act samplers have been produced so far. The first was released in the US in January and in Australia in February. The second was released in the US in March and in Australia in April. A third is in production.</p>

- (b) funding for up to 15 radio promo sampler packs by artists with a release deal in one or more of the target territories, sharing the costs with the New Zealand repertoire owners
- (c) publication of regular New Zealand music features in at least one leading radio industry trade magazine in each territory
- (d) contracting agents and/or pluggers in each of the target territories to service the Phase Five samplers and maintain the tastemaker networks
- (e) funding – on a joint-venture basis with New Zealand record companies – up to 15 independent radio plugging campaigns to support the release of radio singles by New Zealand artists in one or more of the target territories
- (f) funding the production of up to four New Zealand music radio shows for international and local radio syndication.

At least one regular daily or weekly New Zealand music feature will be broadcast on all major commercial radio networks, and dedicated New Zealand music shows will be funded on all seven b.net student radio stations.

Up to seven volumes of Kiwi Hit Disc, six volumes of Indie Hit Disc and at least four volumes of Iwi Hit Disc will be produced for distribution to every radio station in the country.

Record companies will be assisted with the costs of radio remixes of up to five songs that have the potential to get more commercial radio airplay in a remixed form.

Radio Hits funding will be provided for up to 20 records that have picked up "significant airplay" on commercial radio (provided those records have not already been funded through the Phase Four Albums or New Recordings tiers).

A New Zealand music promotions campaign will be run, including partnering with the NZ Music Industry Commission to promote NZ Music Month and the NZ Music Showcase at the annual Radio Broadcasters Association conference.

Funding has been approved for seven projects.

A 19-track Phase Five New Zealand music cover-mount sampler appeared in the 26 November issue of UK music industry trade magazine *Music Week* along with a four-page New Zealand music feature. Monthly New Zealand music features have been appearing in the Australian radio trade publication *The Music Network* since February, and discussions have been held with *R&R*, the US radio industry trade newspaper and with *CMJ*, the US college radio trade magazine about joint promotions that will begin in mid-2006.

Contracts are in place or under negotiation for partners in the US, UK and Australia.

Funding has been approved for seven projects.

Discussions are progressing to achieve this objective.

Funded New Zealand music radio shows are broadcast on all the major commercial radio networks and stations that want them (for example, The Edge, ZM, The Rock) and on all the current (six) b-net radio stations. New shows have been funded for Mai FM and More FM.

Eleven volumes of Kiwi Hit Disc have been produced this year (Kiwi #73 – Kiwi #83). In 2005/2006, NZ On Air will no longer produce the Kiwi, Indie and A/C discs as separate "brands" but has merged the three into one monthly Kiwi Hit Disc. Iwi Hit Disc will retain its separate identity. Three volumes of the Iwi Hit Disc were produced this year and a fourth is currently in production.

No applications have been received this year. This scheme will be retired in the next financial year.

Funding for 20 Radio Hits projects has been approved.

During this year, we published ten of our *Fresh NZ Music* magazines to accompany Kiwi Hit Disc releases. NZ On Air organised the annual RadioWorks New Zealand music showcase in Auckland in January 2006 and joined with the NZ Music Industry Commission to promote NZ Music Month in May 2006. Artist road trips with singer/songwriters, Carly Binding and Donald Reid were organised, and visits to radio stations around the country took place.

QUALITY

ACTUAL PERFORMANCE 30 JUNE 2006

New Zealand music content on commercial radio will be 20% plus by the end of the 2005/2006 year.

Local music content on commercial radio in the June 2006 quarter was as follows:

- Pop 13.36%
- Rock 20.15%
- A/C 19.11%
- Hot A/C 13.16%
- Easy 18.98%
- Urban 13.31%
- **Overall 18.53%**

According to the Code, local music content is measured on a calendar year basis. In the 2005 calendar year, the overall figure was 20.77%. At 30 June, the 2006 calendar year was tracking at 19.52%.

Each NZ On Air-funded album will produce at least four commercial radio hits (meaning singles that achieve a Top 30 peak on the weekly RadioScope NZ Airplay Chart).

At year end, 91% of the singles from Phase Four-funded albums had achieved "radio hit" status.

At least 50% of the radio singles funded via the New Artist Scheme will be commercial radio hits (meaning that they achieve a Top 30 peak on the weekly RadioScope NZ Airplay Chart).

At year end, 40% of New Recording Artist songs had achieved "radio hit" status.

At least 50% of the artists and songs featured in NZ On Air's Phase Five campaign will secure significant radio and music television airplay overseas, measured by radio airplay chart performance, territory by territory.

It is too soon to measure the impact of the Phase Five plan.

At least 75% of the artists featured in the Phase Five campaign will attract further investment from record companies in recording and delivering radio hits for the local (and international) airplay market.

As above.

At least 50% of the artists featured in the Phase Five campaign will go on to achieve a better RadioScope NZ Airplay Chart performance with future releases than they achieved before their international campaign was launched.

As above.

COST

ACTUAL COMMITTED EXPENDITURE 30 JUNE 2006

**TOTAL COST OF
NEW ZEALAND MUSIC**

\$4,921,300

TOTAL COST

\$4,832,195

1.4 Māori Broadcasting

OBJECTIVES	OUTCOMES
<p>To ensure programmes and broadcasts, predominantly in English and reflecting a Māori perspective, have a presence in mainstream broadcasting.</p> <p>To maximise the broadcast opportunities across a range of channels for Māori programmes.</p>	<p>There will be a good presence of Māori programmes and songs, predominantly in English, on a variety of broadcast outlets, and opportunities for re-transmission will be exploited.</p> <p>Māori programmes, broadcasts and songs will be well received by their intended audiences and considered a normal part of New Zealanders' television and radio diet.</p> <p>Good synergies and partnerships will be developed amongst funding bodies and with broadcasters.</p>

PERFORMANCE TARGETS

QUANTITY	ACTUAL PERFORMANCE 30 JUNE 2006
<p>Upwards of 15% of hours funded within a television "umbrella" funding arrangement will involve substantial Māori creative participation on a topic of relevance to Māori language and culture.</p>	<p>Funding for Inside NZ XV was approved at the August meeting, with provision for four of the 25 documentaries (or 16%) allocated to be Māori documentaries.</p> <p>At year end, four Māori projects had been commissioned. However, one project is not proceeding, but another Māori project is under consideration. The three remaining projects are:</p> <ul style="list-style-type: none"> • U-Turn • 75 Hours Lost in the Sea • U-Turn 2 <p>After a revision of TVNZ's documentary strategy funding was approved at the December meeting for TV ONE Docs – 25 one-hour documentaries to screen in primetime strands, three of which will be Māori projects, with another to represent a Māori, Pacific Island or Asian perspective.</p> <p>The Māori projects for TV ONE Docs are yet to be commissioned, but it is expected this will be in the next few months, from this allocation of funding.</p> <p>Additionally, funding was approved for eight half-hour NZ Stories, of which Kia Kaha – Loving It was commissioned as a Māori project.</p>

QUANTITY

ACTUAL PERFORMANCE 30 JUNE 2006

Other television programmes featuring Māori and Māori interests intended for a general audience – such as a documentary strand, a drama project and language interstitials – will be supported as funds permit.

Children’s programmes funded by NZ On Air will promote Māori language and culture as an essential aspect of the programme.

National Radio will be contracted to produce and broadcast at least 350 hours a year of programmes reflecting Māori language and culture.

Upwards of 15% of the music videos funded by NZ On Air during the year, 15% of the tracks on Kiwi Hit Disc and 15% of the new recording artists grants will be by Māori artists.

Up to four volumes of Iwi Hit Disc will be produced for distribution to every radio station in the country.

NZ On Air will fund up to three te reo radio singles that have commercial radio airplay potential.

During the period, funding has been allocated to the following programmes that feature Māori content:

- bro'Town 3
- Tu Te Puehu
- Mai Time
- Pacifica Beats
- Pukana subtitles
- Polyfest 2006
- Tiaho Po – Te Arikiniui – 40 Years
- Victoria Crossed
- Breaking the Boundaries
- E kii, e kii (Ngā Manu Kōrero)
- Na Ratou Ma Tatou (Concert)

Funding was allocated to **Sticky TV 2006**, **Studio 2**, **What Now?** and **The Go Show 2** during the period – all of which will promote Māori language and culture.

National Radio has broadcast 309 hours of programmes reflecting Māori language and culture during the year to date.

This year, 27 of the 163 (17%) music videos funded by NZ On Air and 6 of the 40 (15%) New Recording Artist grants went to Māori artists. Twenty-seven of the 195 (14%) tracks on the ten volumes of Kiwi Hit Disc released this year are by Māori artists.

Three volumes of the Iwi Hit Disc were produced this year, and a fourth was in production at year’s end.

We are waiting on delivery of the first three pilot Te Reo Radio Hits songs to evaluate the success of the pilot before developing the Te Reo Radio Hits project further. This year, we also provided Te Reo Radio Hits funding for the winner of the Toru talent quest, broadcast by the Māori Television Service.

QUALITY

ACTUAL PERFORMANCE 30 JUNE 2006

Up to two well-attended Māori broadcasting hui will be held during the year in order to survey progress made by NZ On Air in meeting the Māori broadcasting performance targets outlined above.

At least one internal review of the implementation of NZ On Air’s Te Rautaki Māori will be conducted.

NZ On Air’s audience research will confirm that levels of support for and appreciation of funded Māori programmes are at least maintained, or are improved, using benchmarks established in 2002.

Two hui on the production of Māori programmes were held in Auckland in November/December 2005.

A review of Te Rautaki Māori is underway and will be completed during 2006.

The *Public Information Monitor*, published in November, confirmed the importance of NZ On Air supporting programmes reflecting Māori language and culture.

Two thirds of respondents said it was very important.

COST		ACTUAL COMMITTED EXPENDITURE 30 JUNE 2006	
TOTAL COST OF GENERAL MAINSTREAM PROGRAMMES FEATURING MĀORI	\$3,900,000	(See Note 1)	\$6,736,482

Note 1 Breakdown of funding for general mainstream programmes featuring Māori as at 30 June 2006.

TOTAL FUNDING	
Television programming	\$5,554,681 (a)
Radio	\$1,046,801 (b)
NZ music videos	\$135,000 (c)
TOTAL	\$6,736,482

The table above can be explained in more detail by the following notes:

(a)

TELEVISION PROGRAMMES	FUNDING
4 x Māori documentaries INZ XV	\$380,000
Pacifica Beats 2005 (2 x 1 hour)	\$88,205
Mai Time (40 x 1/2 hour)	\$802,488
3 x Māori documentaries TV ONE Docs	\$285,000
1 x Māori documentary NZ Stories	\$25,000
bro'Town 3 (7 x 1/2 hour)	\$1,800,000
Tu Te Puehu 5 & 6 (40 x 1/2 hour)	\$500,000
Pukana subtitles	\$66,374
Polyfest 2006	\$180,521
Tiaho Po – Te Arikinui – 40 Years	\$167,376
Head Cases	\$850,000
Victoria Crossed	\$123,737
Breaking the Boundaries	\$93,775
E kii, e kii (Ngā Manu Kōrero)	\$52,205
Na Ratou Ma Tatou (Concert)	\$140,000
TOTAL	\$5,554,681

(b) The estimate for radio is based on 4% of the total funding provided to National Radio, as Māori programming occupies about 4% of programme hours (0.04* \$21,459,000). This estimate includes Māori programming's proportionate share of the broadcaster's total overall costs for the period (\$858,360). National Radio did not meet its Māori programming target for 2005/2006 due to a change during the year in the supplier of its Māori news and programmes.

The estimate also includes funding allocated to Māori radio programme **Paakiwaha** (\$60,000) and funding allocated to the youth programme **Te Puutake** (\$128,441).

(c) A total of 27 music videos (at a cost of \$5,000 per video) featuring Māori artists were funded during 12 months to 30 June.

2.0 Archives

OBJECTIVES	OUTCOMES
<p>To ensure a diverse range of New Zealand television and radio programmes broadcast today are archived for tomorrow.</p> <p>To encourage the development of an efficient, cost-effective archiving system that minimises duplication, maximises the amount of programmes archived and enhances the public access services currently available.</p>	<p>There will be better understanding of the value of archiving by the broadcasting and production industries, encouraging them to ensure programmes and broadcasts are available to be archived.</p> <p>Public access to archived material and utilisation rates will be improved, both through visits to archives and electronically.</p> <p>The diversity of television programmes and radio broadcasting will be well reflected across the range of material archived.</p> <p>The range of material archived will be improved through greater coordination and information sharing between archives and the industry.</p>

PERFORMANCE TARGETS

QUANTITY	
Funding for core archiving services of New Zealand television and radio programmes is provided to achieve:	NZ On Air has current funding contracts with both the New Zealand Film Archive and Sound Archives/ Ngā Taonga Kōrero.

SERVICE	TELEVISION	RADIO	TELEVISION	RADIO
	Target Hours (Note 1)	Target Hours (Note 2)	Actual Hours	Actual Hours
Selection and acquisition of programmes to be archived	1,335 hours	1,300 hours	1,325 hours	1,971 hours
Preservation of programmes	250 hours	1,700 hours	260 hours	1,692 hours
Public access to the archived broadcast programmes (Note 3)	-	-	-	-

Note 1 The television target hours above were amended after the publication of the Statement of Intent. The revised figures are 1,325 for selection and acquisition and 260 for preservation.

Note 2 The radio target hours above are for the year ended 30 June 2005. The figures agreed for the year ended 30 June 2006 for selection and acquisition remains at 1,300, but the target for preservation increased to 1,900.

Note 3 Public access to archive material held by either the New Zealand Film Archive or Sound Archives/Ngā Taonga Kōrero is available during these archives' working hours in line with generally accepted archiving procedures.

QUALITY	ACTUAL PERFORMANCE 30 JUNE 2006
<p>An independent archiving consultant reviews the six-monthly reports provided by the New Zealand Film Archive and Sound Archives/Ngā Taonga Kōrero.</p> <p>The standards for diversity, preservation and public accessibility are being achieved.</p> <p>At least one initiative to achieve better industry outreach has been developed and implemented.</p> <p>Opportunities for co-ordination and information sharing using new technology to reduce duplications are being identified.</p>	<p>The six-monthly reports received have each been reviewed by an independent archiving consultant. The findings have been fed back to the Board of NZ On Air and to the archiving service providers.</p> <p>Final reports have been received and are being evaluated.</p> <p>NZ On Air discussed the increased opportunities offered by digital technology at length during the year.</p> <p>Discussion and consultation continued throughout the year.</p>

COST		ACTUAL COMMITTED EXPENDITURE 30 JUNE 2006	
TOTAL COST OF ARCHIVING	\$1,163,650	TOTAL COST	\$1,163,650

3.0 Transmission Coverage

TELEVISION TRANSMISSION COVERAGE

OBJECTIVES
To be a respected provider of advice as New Zealand makes the transition from analogue to digital transmission.

COST		ACTUAL COMMITTED EXPENDITURE 30 JUNE 2006	
TOTAL COST OF TELEVISION TRANSMISSION COVERAGE	Nil	TOTAL COST	Nil

RADIO TRANSMISSION COVERAGE

OBJECTIVES	OUTCOMES
To encourage the use of NZ On Air's scheme to make a primary-strength community radio service available to every community of 400+ people.	That as many New Zealanders as possible will be able to receive a community radio service.

PERFORMANCE TARGETS

QUANTITY
Applications for funding of capital equipment to establish up to three new community radio facilities in areas of 400+ people that are not served by a primary-strength community radio signal will be considered by NZ On Air.

No applications were received during the period.

QUALITY
Where NZ On Air subsidises a community radio service, the broadcaster will make available to the agreed number of potential listeners in the coverage area a signal suitable to provide a field strength of at least 54dBu per metre for FM or 60dBu per metre for MF (AM).
NZ On Air contracts with broadcasters to ensure that community radio services broadcast for 24 hours per day and that the programming includes local news, weather and community information and is capable of carrying local civil defence information in an emergency.

Achieved.

Achieved.

COST		ACTUAL COMMITTED EXPENDITURE 30 JUNE 2006	
TOTAL COST OF RADIO TRANSMISSION COVERAGE	\$89,500	TOTAL COST	Nil

BROADCASTING SERVICES (NOTE 1)		
	Expected Number of Funding Contracts for 2005/2006	Actual Number of Funding Contracts as at 30 June 2006
Television	180	142
Radio	15	36
Commercial radio programmes	12	11
Transmission coverage	1	-
New Zealand music	267	273
Archiving	2	3
TOTAL	477	465

Note 1 The table above indicates the volume of work that is undertaken by NZ On Air in preparing funding contracts. The complexity of the funding contracts will vary across the range of broadcasting services.

DESCRIPTIONS OF ACTIONS	ACTUAL PERFORMANCE 30 JUNE 2006
<p>All funding contract requirements will be monitored and reviewed by NZ On Air on a regular basis from the time of signing the contracts to service delivery.</p> <p>NZ On Air will undertake financial health checks of funding recipients, where necessary or requested by the production entity, in order to ensure minimum accounting and financial reporting standards are in place in respect of funded programmes.</p> <p>NZ On Air will audit a random selection of funding recipients throughout 2005/2006 to ensure that these service providers attain specified standards of performance and account for the use of the funds.</p> <p>Risk Management</p> <p>NZ On Air regularly reviews and where necessary updates its various risk management (e.g. IT policy, Treasury policy, disaster recovery, delegations and payment authorities, and conflict of interest) and human resources (e.g. health and safety, and code of conduct/conditions of employment) policies and strategies.</p> <p>The work plan developed by NZ On Air's audit committee for 2004-2006 will continue to be implemented during the year.</p> <p>Major risk areas to be audited in 2005/2006 include:</p> <ul style="list-style-type: none"> • funding recipient compliance audits • reliability of NZ On Air decision-making • appropriateness of NZ On Air funding methods • statutory compliance • governance controls • environmental risks. <p>A risk management framework, developed in early 2003, will be regularly reviewed and updated. High-risk areas are reviewed by the Board four-monthly.</p> <p>Policies for management of stress and management of harassment were adopted in 2003.</p>	<p>Achieved.</p> <p>Financial health checks were conducted throughout the year, when deemed necessary.</p> <p>Achieved. There have been 16 funding recipient audits in the twelve months to 30 June 2006.</p> <p>A change in staffing during the year has resulted in fewer audits than planned being conducted, but this will be addressed in coming months.</p> <p>Achieved.</p> <p>The following audits were completed during the nine months to 30 June 2006.</p> <ul style="list-style-type: none"> • 2 radio hits • 4 music videos • 3 music albums • 6 TV funding recipients • 1 access radio station. <p>A new strategic risk map has been developed to ensure NZ On Air's Board and staff can effectively assess, monitor and plan to mitigate strategic risk.</p> <p>Policies are reviewed at regular intervals and amendments approved by the Board.</p>

Human Resources

The broadcasting industry is substantially based in Auckland. This means that many of NZ On Air's working relationships with the television, radio and music production and broadcasting industry must be maintained in Auckland, while the agency is based in Wellington. Within the music sector, NZ On Air has contracted a team of pluggers, or music promotions people, who are based in Auckland. Since May 2004, the appointment of an Auckland-based Client Relations Manager has extended this presence to other areas of our activity.

In Wellington, NZ On Air will maintain the current staff complement, and will focus on maintaining and improving relationships with Government and related funding agencies, as well as production and broadcasting representatives based in the capital.

Achieved. During the year, the acting Television Manager has been based in Auckland, and this has had good results. A permanent appointment to the position of Television Manager is expected before the end of the calendar year.

Achieved. During the year, the secondment of the Chief Executive to the Ministry for Culture & Heritage has made it necessary for NZ On Air to employ fixed-term contractors to ensure the agency's activities continue to be managed.

COMMUNICATIONS AND CONSULTATION

OBJECTIVES

To lead the way in consulting and communicating effectively.

To develop and publish a body of high-quality, relevant research that increases the knowledge and expertise of NZ On Air and the wider broadcasting sector, assists with the formulation of funding policy and helps inform Government policy making.

To define and give effect to a clear role for NZ On Air within a changing broadcasting environment, consistent with the Broadcasting Act, and reflected in relationships with key stakeholders.

DESCRIPTIONS OF ACTIONS	ACTUAL PERFORMANCE 30 JUNE 2006
<p>Communications</p> <p>NZ On Air will institute an effective two-way communication process with stakeholders, so that there is a high level of understanding of and support for public service broadcasting by:</p> <p>Publishing a regular newsletter reporting on the full range of NZ On Air's activities</p> <p>Organising and conducting relevant symposia on broadcasting issues.</p> <p>Maintaining an up-to-date user-friendly website.</p> <p>Organising and conducting presentations of national and international research project results for targeted audiences.</p>	<p>Achieved. The NZ On Air newsletter provides news across all sections of NZ On Air's business and is now distributed by email.</p> <p>NZ On Air organised a drama symposium in July 2005.</p> <p>NZ On Air organised hui on Māori television production in November/December.</p> <p>Research documents, newsletters and policy discussion papers are posted on the website in a timely manner.</p> <p>Achieved. <i>NZ On Air Public Information and Opinion Monitor 2005</i> was made public. NZ On Air part-commissioned research by Nielsen//NetRatings on children's and teens' use of the Internet and other media (<i>New Zealand eGeneration Study 2005</i>) was made public and received media coverage. Research projects to investigate special interest audience needs, especially Māori, Asian and the gay community, and a project to explore approaches to measuring quality were commissioned during the year and are proceeding.</p>
<p>Reporting</p> <p>NZ On Air will provide information to Government, related Crown entities, industry representatives and the wider public by:</p> <p>Publishing NZ On Air's Statement of Intent for tabling in Parliament and for issue to the public at the beginning of the financial year.</p> <p>Publishing any new NZ On Air funding policies and guidelines within one month of adoption and circulating them to all interested groups.</p> <p>Communicating NZ On Air funding decisions in writing to applicants and by press releases to the general public.</p> <p>Publishing NZ On Air's annual report within three months of the end of the financial year.</p> <p>Providing quarterly reports to the Minister of Broadcasting.</p>	<p>Achieved. The Statement of Intent was tabled on 19 July 2005.</p> <p>Funding recipients are notified soon after decisions are made, and funding allocations are published on NZ On Air's website, often accompanied by media releases.</p> <p>The 2004/2005 NZ On Air Annual Report was published on 19 October 2005.</p> <p>This is the fourth and final report for the 2005/2006 year.</p>
<p>Research and Consultation</p> <p>The research programme in 2005/2006 will be based on the following activities:</p> <p>Daily TV programme ratings, and Topline metropolitan and provincial radio audience survey data.</p> <p>Specific research to be commissioned, which will include the <i>Public Opinion and Information Monitor</i> (quantitative study).</p> <p><i>Local Content Survey for 2004</i> (quantitative study).</p>	<p>Ongoing for TV ratings, but figures are no longer obtainable for radio on the basis upon which they have been previously provided.</p> <p>The <i>Public Opinion and Information Monitor 2005</i> was conducted by TNS New Zealand, and the results were published in November.</p> <p>The <i>Local Content Survey</i> for the 2004 year was completed in the first quarter of 2005.</p>

DESCRIPTIONS OF ACTIONS

ACTUAL PERFORMANCE 30 JUNE 2006

Definitions of public interest broadcasting and the establishment of quality measures for it (qualitative).

Measures of production industry capability (quantitative and qualitative).

Exploration of rights issues and options for NZ On Air in a digital environment (qualitative and quantitative).

NZ On Air will continue to monitor the development of the broadcasting environment and, where necessary, modify policies to provide for any changes in the environment.

A report compiled by Neil Cairns was completed in August 2005. It looked at principles and practices of European funding agencies and broadcasters. The report has contributed to NZ On Air's review of its equity investment and recoupment policies, and to the review by the Ministry for Culture & Heritage of the same practices across all Government screen funding agencies.

NZ On Air contributed funding to a survey by Neilsen/NetRatings on the behaviour and attitudes of NZ children and teenagers towards the internet and other technologies. The findings are valuable as NZ On Air develops its role in a digital environment.

Measures for supporting producers to exploit their programmes in the international market are being explored. Significant policy work has been done and the resulting policy is expected to be finalised soon.

COST

ACTUAL COMMITTED EXPENDITURE 30 JUNE 2006

**TOTAL COST OF ADMINISTRATION
(including funding allocation process,
accountability and consultation)**

\$2,510,000

TOTAL COST

\$2,759,564

Audit Report

To the readers of NZ On Air's Financial Statements
for the year ended 30 June 2006

The Auditor-General is the auditor of NZ On Air. The Auditor General has appointed me, Ajay Sharma, using the staff and resources of Audit New Zealand, to carry out the audit of the financial statements of NZ On Air, on his behalf, for the year ended 30 June 2006.

UNQUALIFIED OPINION

In our opinion the financial statements of NZ On Air on pages 13 to 52:

- comply with generally accepted accounting practice in New Zealand; and
- fairly reflect:
 - NZ On Air's financial position as at 30 June 2006;
 - the results of its operations and cash flows for the year ended on that date; and
 - its service performance achievements measured against the performance targets adopted for the year ended on that date.

The audit was completed on 17 October 2006, 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 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. 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. 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 disclosures are adequate.

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

We evaluated the overall adequacy of the presentation of information in the financial statements. 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 financial statements in accordance with generally accepted accounting practice in New Zealand. Those financial statements must fairly reflect the financial position of NZ On Air as at 30 June 2006. They must also fairly reflect the results of its operations and cash flows and service performance achievements for the year ended on that date. The Board's responsibilities arise from the Public Finance Act 1989 and the Broadcasting Act 1989.

We are responsible for expressing an independent opinion on the financial statements and reporting that opinion to you. This responsibility arises from section 15 of the Public Audit Act 2001 and the Public Finance Act 1989.

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.



Ajay Sharma Audit New Zealand

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

MATTERS RELATING TO THE ELECTRONIC PRESENTATION OF THE AUDITED FINANCIAL STATEMENTS

This audit report relates to the financial statements of NZ On Air for the year ended 30 June 2006 included on NZ On Air's website. The governing body is responsible for the maintenance and integrity of NZ On Air's website. We have not been engaged to report on the integrity of NZ On Air's website. We accept no responsibility for any changes that may have occurred to the financial statements since they were initially presented on the website.

The audit report refers only to the financial statements named above. It does not provide an opinion on any other information which may have been hyperlinked to/from these financial statements. 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 related audit report dated 17 October 2006 to confirm the information included in the audited financial statements presented on this website.

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

Historical Television Statistics

SIX-YEAR COMPARISON

	2006	2005	2004	2003	2002	2001
By Producer						
TVNZ	14.9%	9.0%	11.0%	15.0%	15.0%	17.0%
TV3	0.2%	0.0%	1.0%	0.0%	0.0%	4.0%
Prime	0.0%					
Māori Television	0.0%					
Independent Producers	84.9%	91.0%	88.0%	85.0%	85.0%	79.0%
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
By Broadcaster						
TVNZ	65.2%	74.0%	75.0%	80.0%	80.0%	72.0%
TV3	30.0%	26.0%	25.0%	20.0%	20.0%	28.0%
Prime	3.1%					
Māori Television	0.5%					
Regional Channels	1.2%					
	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%
Programme type/ Hours funded						
Drama/Comedy/ Children's drama	89.0	103.5	115.0	108.0	109.0	122.0
Documentaries/ Information/Innovation	131.0	106.5	157.5	109.0	116.0	139.0
Children/Young people	497.0	395.0	382.5	436.0	372.0	325.0
Special interest	253.5	419.5	445.5	298.0	282.0	312.0
	970.5	1,024.5	1,100.5	951.0	879.0	898.0

Television Programmes

funded during the year ended 30 June 2006

PROGRAMME	BROADCASTER	PRODUCER	EPISODES & DURATION	NZ ON AIR FUNDING \$	% OF COST
Drama					
Black Sheep	TV2	Livestock Films	1 x 2 hour	400,000	
Burying Brian	TV ONE	Eyeworks Touchdown	6 x 1 hour	2,977,122	
Drama Production	TV3	TBC	4 x 1 hour	2,454,476	
Head Cases	TV ONE	South Pacific Pictures	1 x 2 hour	850,000	
Orange Roughies 2 (additional)	TV ONE	ScreenWorks Roughies	6 x 1 hour	3,760,319	
Outrageous Fortune 2	TV3	South Pacific Pictures	18 x 1 hour	7,605,000	
Signature Drama	TV ONE	Various	2 x 1.5 hour	750,000	
Victoria Park	TV ONE	Firehorse Films	6 x 1 hour	4,170,000	
Total Drama			47 hours	\$22,967,317	54%
Children's Drama					
Karaoke High	TV2	Television New Zealand	9 x half hour	1,750,272	
The Killian Curse 2	TV2	Television New Zealand	7 x half hour	1,379,081	
Total Children's Drama			8 hours	\$3,129,353	86%
Comedy					
Back Of The New Year	TV2	Great Southern Television	1 x 2 hour	95,000	
Big Comedy Gala 2006	TV2	Satellite Media	1 x 2 hour	108,495	
bro'Town 3	TV3	Firehorse Films	7 x half hour	1,800,000	
Eating Media Lunch 5	TV2	Great Southern Television	6 x half hour	195,488	
Facelift 3	TV ONE	Gibson Group	7 x half hour	1,190,000	
Moon TV 3	TV2	Moon Enterprises	6 x half hour	176,324	
Out Of The Question	PRIME	Touchdown Television	20 x half hour	842,175	
Seven Periods With Mr Gormsby 2	TV ONE	Direct Hit	7 x half hour	1,247,560	
Unauthorised History Of New Zealand 2	TV2	Great Southern Television	7 x half hour	288,832	
Total Comedy			34 hours	\$5,943,874	74%
Documentary					
Anzac Songs	TV ONE	Screentime Limited	1 x 1 hour	168,977	
Behind Enemy Lines	TV3	DRTV SAS	4 x 1 hour	720,000	
Raze The Roof	TV2	Showdown Productions	1 x 1 hour	5,000	
Captain Cook	PRIME	South Pacific Pictures	4 x 1 hour	1,000,000	
Charlotte Turns Five	TV3	Greenstone Pictures	1 x 1 hour	120,364	
Costing The Earth	TV3	South Pacific Pictures	10 x half hour	392,311	
Country Calendar 2006	TV ONE	Television New Zealand	22 x half hour	305,058	
Extraordinary Kiwis 2	PRIME	Execam Television & Video	8 x half hour	186,664	
Extraordinary Kiwis (additional)	PRIME	Execam Television & Video	1 x half hour	10,657	
Sunday Docs	TV ONE	Various	6 x 1 hour	1,116,000	
NZ's Top 100 History Makers	PRIME	Visionary Film & TV	3 x 1 hour	201,961	
Rural Delivery 2	TV ONE	Showdown Productions	30 x half hour	653,276	

Special Investigators (additional)	TV ONE	Greenstone Pictures	4 x half hour	115,900
The Perfect Age	TV3	Touchdown Television	5 x 1 hour	495,100
The Investigator	TV ONE	Red Sky Film & TV	6 x 1 hour	654,000
The Nuclear Reaction	TV ONE	The TV Set	1 x 1 hour	134,414
Tiaho Po Te Arikinui 40 Years	TV ONE	Television New Zealand	1 x 1 hour	167,376
Victoria Crossed	MTS	ScreenTime Limited	1 x 1 hour	123,737
Who Deserves To Be Born?	TV ONE	Extreme Close Up Productions	1 x 1 hour	92,000
NZ Stories	TV ONE		8 x half hour	
Friends		Isola Productions	1 x half hour	50,000
Kia Kaha – Loving It		Tumanako Productions	1 x half hour	50,000
Motorcycles & Mountaineer's Legs		Front Of The Box Productions	1 x half hour	50,000
Russia's Forgotten Children		Maxim Films	1 x half hour	50,000
Ricky Houghton		Extreme Close Up Productions	1 x half hour	50,000
Saving The World From Your Shed		Greenstone Pictures	1 x half hour	50,000
Success Stories – Sharon Kenney		JM Communications	1 x half hour	50,000
True Grit		Gibson Group	1 x half hour	50,000
TV One Docs	TV ONE		25 x 1 hour	
Acutely Anxious		Southern Screen Productions	1 x 1 hour	112,513
Bird Flu – Beyond The Hype		Isola Productions	1 x 1 hour	90,806
Family Feuds		Top Shelf Productions	4 x 1 hour	340,172
Race Against Time		AC Productions	1 x 1 hour	111,130
Try Revolution		Spacific Films	1 x 1 hour	104,950
Search For A Cure		Top Shelf Productions	1 x 1 hour	103,320
Sex & Lies In Cambodia		Gibson Group	1 x 1 hour	103,850
To Hell And Back		Martinsquare	1 x 1 hour	94,950
Unallocated at 30 June 2006				1,313,309
Inside New Zealand XV	TV3		25 x 1 hour	
75 Hours Lost In The Sea		Octagon Productions	1 x 1 hour	121,334
A Girlfriend In Six Weeks		Morningside Productions	1 x 1 hour	78,882
Earthquake		Gaylene Preston Productions	1 x 1 hour	56,915
Flight Of The Conchords		Gibson Group	1 x 1 hour	85,000
Our Dirty Little Secrets		Top Shelf Productions	1 x 1 hour	92,826
House Trap		Top Shelf Productions	4 x 1 hour	327,916
Kiwi Guns For Hire		ScreenTime Limited	1 x 1 hour	130,562
Million Dollar Tumour		DRTV D&G	1 x 1 hour	105,787
More Dirty Little Secrets		Top Shelf Productions	1 x 1 hour	95,000
Rescue of Iani Lingurar 2		The TV Set	1 x 1 hour	100,390
School Rules		ScreenTime Limited	1 x 1 hour	113,232
Strangely Normal		Zoomslide Media	1 x 1 hour	122,249
4WD: Danger On The Road		Top Shelf Productions	1 x 1 hour	88,307
U-Turn 1		Showdown Productions	1 x 1 hour	81,885

U-Turn 2		Showdown Productions	1 x 1 hour	52,437	
What's Your Verdict 2		Gibson Group	1 x 1 hour	440,000	
When I Grow Up I Want To Be Slim		Rogue Productions	1 x 1 hour	80,101	
Less transferred from Inside New Zealand Series XIV				-94,760	
Unallocated at 30 June 2006				296,939	
Total Documentary			126.5 hours	\$11,812,795	55%
Children and Young Persons					
Dimblebee	TV2	Huhu Studios	52 x 7 min	350,000	
Jandals Away (additional)	TV2	Quick TV		6,152	
Kids Choice Awards	TV2	Whitebait Productions	1 x 2 hour	160,298	
Let's Get Inventin' (additional)	TV2	Television Spaceman		125,000	
Mai Time 2006	TV2	Television New Zealand	40 x half hour	802,488	
Pasifica Beats 2005	TV2	Television New Zealand	2 x 1 hour	88,205	
Rockquest 2006	TV3	Visionary Film & TV	6 x half hour	195,578	
Squirt 2006	TV2	Taylormade Media	40 x half hour	1,259,567	
Stage Challenge 2006	TV2	Whitebait Productions	6 x half hour	256,875	
Sticky TV 2006	TV3	Pickled Possum Productions	210 x 50 min	1,749,130	
Studio 2 2006	TV2	TVNZ/Taylormade	208 x half hour	1,735,956	
The Go Show 2005 (2nd tranche)	TV2	Pickled Possum Productions	139 x half hour	2,119,495	
The Simon Eliot Show	TV3	Gibson Group	13 x half hour	370,000	
What Now 2006	TV2	Whitebait Productions	40 x 2 hour	2,500,000	
Zip & Mac's Pad	TV2	You & Media	26 x 7 min	942,018	
Total Children and Young Persons			497 hours	\$12,660,762	75%
Arts, Culture and Performance					
Anzac Day House Party	MTS	Screentime Limited	1 x 2 hour	140,000	
Breaking The Boundaries	MTS	C4 Productions	1 x 2 hour	93,775	
Frontseat II (second tranche)	TV ONE	Gibson Group	20 x half hour	760,000	
Frontseat III	TV ONE	Gibson Group	6 x half hour	228,000	
Frontseat VI	TV ONE	Gibson Group	10 x half hour	425,000	
Live At Yours	TV3	Satellite Media	48 x half hour	550,000	
Play It Strange 2	TV2	Isola Productions	1 x 1 hour	73,560	
Sir Howard Morrison	TV ONE	C4 Productions	1 x 2 hour	160,958	
The Book Show	TV ONE	Third Party Productions	10 x half hour	409,280	
The Nutcracker	TV ONE	Television New Zealand	1 x 1.5 hour	201,222	
The Wedding	TV ONE	Television New Zealand	1 x 1.5 hour	285,277	
Qantas Television Awards 2005	TV ONE	Visionary Film & TV	1 x 1 hour	124,402	
Qantas Television Awards 2006	TV3	CanWest TVWorks	1 x 2 hour	112,526	
Westfield Style Pasifika 2006	TV ONE	Drum Productions	1 x 1 hour	129,107	
Montana World of WearableArt Awards 2005	TV ONE	Television New Zealand	1 x 1 hour	114,279	
Montana World of WearableArt Awards 2006	TV ONE	Television New Zealand	1 x 1 hour	119,212	
Total Arts, Culture and Performance			63 hours	\$3,926,597	88%

Innovation					
My Story	TV3	Gibson Group	40 x 2 min	730,000	
Ride With The Devil	TV2	Isola Productions	6 x half hour	769,965	
Total Innovation			4.5 hours	\$1,499,965	100%
Special Interest					
ANZAC Day Wreathlaying Ceremony 2006	TV ONE	Television New Zealand	1 x 1 hour	34,414	
Asia Down Under 2006	TV ONE	Asia Vision	40 x half hour	1,118,925	
Attitude 2006	TV ONE	RSVP Productions	40 x half hour	1,300,000	
Captioning 2006 (January-June)	Television New Zealand		32 hours	933,858	
Captioning (additional)	Television New Zealand			68,739	
E Kii, E Kii	TV2	Raukatauri Productions	2 x 1 hour	52,205	
Kiwifruit 2	TV2	Cream TV	25 x half hour	892,795	
My God	TV ONE	Pacific Crews	10 x half hour	363,881	
NZ Memorial Hyde Park Coverage	TV ONE	Television New Zealand	1 x 1 hour	364,295	
Open Door 7	TV3	Morningside Productions	10 x half hour	308,808	
Praise Be 2006	TV ONE	Television New Zealand	45 x half hour	597,996	
Pacific Beat Street 3	TV3	Drum Productions	12 x half hour	428,467	
Pacific Beat Street 4	TV3	Drum Productions	24 x half hour	844,884	
Polyfest 2006	TV2	Television New Zealand	5 x half hour	180,521	
Pukana subtitling 2006	TV3	Cinco Cine Film Productions		66,374	
Tagata Pasifika 2006	TV ONE	Television New Zealand	52 x half hour	1,348,292	
Tu Te Puehu 5	TV3	Te Aratai Productions	20 x half hour	200,000	
Tu Te Puehu 6	TV3	Te Aratai Productions	20 x half hour	300,000	
World Wheelchair Rugby Championships 2006	TV ONE	Television New Zealand	1 x 2 hour	89,221	
Young Farmer Contest 2006	TV ONE	Dexterity Productions	1 x 1 hour	101,288	
Regional Television					
Dubbing – TV		Various		20,000	
45-South Television		45 South Television		14,872	
Canterbury Television		Canterbury Television Ltd		139,700	
Channel 51		Channel 51 Hawkes Bay Ltd		18,450	
Channel 9 Dunedin		Allied Press		116,900	
Family TV Network Warkworth		Family TV		98,300	
Family TV Network Waikato		Kaimai Family TV Trust		99,800	
Southland TV		Mercury Television (2002) Ltd		116,700	
Tararua TV		Tararua Television		16,666	
Triangle TV		Triangle Television Ltd		154,200	
Television Taranaki		Television Taranaki		114,400	
Total Special Interest			190.5 hours	\$10,504,951	76%

Development				
5 Fabulous Frogs And A Dog	TV2	You & Media		10,000
Backslappers	PRIME	Gibson Group		22,000
Burying Brian	TV ONE	Eyeworks Touchdown		28,725
Chowdown	TV2	Quick TV		10,160
Dunedin Longitudinal Study	TV ONE	Razor Films		6,690
Intrepid Ed	TV2	Traction Inc Ltd.		7,375
Jandals Away 2	TV2	Quick TV		7,505
Māori Comedy Playhouse	TV ONE	4 Winds Films		25,960
Murder At Royal Free	TV3	South Pacific Pictures		5,000
Pandemic	TV3	South Pacific Pictures		15,000
The Last Year	TV3	Firehorse Films		14,500
The Pretender 2	TV3	Great Southern Television		10,000
Comedy Initiative 2006				
It's All About Me	TV2	Alan Trussell Cullen		5,000
Open Late	TV2	The Down Low Concept		5,000
Pius and Son	TV2	Environmentally Hazardous Films		5,000
Sam, 16	TV2	Great Southern Television		5,000
The Life Of Dave	TV2	Flow Productions		5,000
Springboard 2				
Occasional Productions		Occasional Productions		50,000
Point Of View Productions		Point Of View Productions		50,000
Raconteur Productions		Raconteur International		50,000
Less brought forward from Springboard 1				-15,000
Total Development				\$322,915
TOTAL			970.5 hours	\$72,768,530

Radio Programmes

funded during the year ended 30 June 2006

PROGRAMME	PRODUCER	NZ ON AIR FUNDING
Te Puutake	Stretchmark Productions	128,441
Upload	Base Two	173,950
Small World	Lorna Plant	108,504
That's The Story	Loudmouth Productions	103,480
Radio Station	thedownlowconcept	64,330
Off The Wire	thedownlowconcept	48,500
Scrubcutter	Christian Broadcasting Association	60,000
Easter 2006	Christian Broadcasting Association	11,500
Christmas 2005	Christian Broadcasting Association	11,668
Paakiwaha	UMA Broadcasting	60,000
Parliament Today	InHouse Media	50,000
TOTAL		820,373

NZ Music Projects

funded during the year ended 30 June 2006

NZ MUSIC VIDEOS	NZOA FUNDING
Change For The Better/OG & Ladi6	5,000
Rather Be With You/Dukes	4,444
A Place For You/Breaks Co-Op	5,000
Disembodied Voices/The Finn Brothers	5,000
Don't Be The One/Greg Johnson	5,000
Tsunami/Steriogram	5,000
Our Song/Goodnight Nurse	5,000
Slightest Shift In The Weather/The Phoenix Foundation	5,000
What If/Sola Rosa	5,000
Honey Don't Go/Dave Yetton	5,000
Hands/Sarah Brown	5,000
Deep For You/Kimbra	5,000
Weekend/betchadupa	5,000
Dust/Reclouse	5,000
Oh No/Tyree featuring Yound Sid & Deach	5,000
Fairytale Life/My Life Story	5,000
Butter Boys/The Checks	5,000
Scenarios/Chong Nee	5,000
Four Minute Drive/Goldenhorse	5,000
Baby Cruel/Pluto	5,000
On & On/Amber Claire	5,000
If I Had You/Bic Runga	5,000
Carry On/The Rabble	5,000
Burn/Elemeno P	5,000
Playground Battle/the feelers	5,000
Wrestled With Your Angels/Anika Moa	5,000
All My Love/The Electric Confectionaires	5,000
Memory Of Me/Kitsch	5,000
High Noon/Tyna & JB	5,000
If It's Cool/Nesian Mystik	5,000
Shyness Will Get You Nowhere/Die! Die! Die!	5,000
Down Time/Aaradhna	5,000
I Do Believe/The Feelstyle	5,000
Spoken/Losing Face	5,000
So Radiate/Carly Binding	5,000
My Only/Goodnight Nurse	5,000
Lollipop/King Kapisi	5,000
Nestegg/The Phoenix Foundation	5,000
Badman/Sola Rosa	5,000
End Of The World/Shocking Pinks	5,000
Beach In Cali High/Gasoline Cowboy	5,000
Flow/Kora	5,000
Mana's Bounce/Reclouse	5,000
Bathe In The River/	
Mt Raskil Preservation Society featuring Hollie Smith	5,000
Spectacular Little Death/Motocade	5,000
Computer Games/North Shore Pony Club	5,000

NZ MUSIC VIDEOS (CONT)	NZOA FUNDING
Brokenhearted/Pluto	5,000
Mysterious Vibe/Che Fu	5,000
Kia Mau Ki Te Reo Ma-ori/Dam Native	5,000
Te Atawhai/Sophie Moleta	5,000
Don't Say I'm Easy/Streetwise Scarlet	5,000
French Tickler/The Sneaks	5,000
High Pressure/Cassette	5,000
The Kill/Bleeders	5,000
That's Us/Shore Syndicate	5,000
Wrapped In Plastic/Cobra Khan	5,000
All I Wanted/Amp	5,000
Control/Tadpole	5,000
You Know/Beatrootz	5,000
Not That Far/goodshirt	5,000
Hold 'Em/Frontline	5,000
Never/4 Corners	5,000
First Round/Dark Harmony Regime	5,000
Ways To Run/Autozamm	5,000
Drink/Foamy Ed	5,000
Nothing Has Changed/Gestalt Switch	5,000
Hard To Let You Know/Ryan McPhun & The Ruby Suns	5,000
Hey Girl/Katchafire	5,000
Same Old Issues/Juse featuring Tyree & Feelstyle	5,000
Promises Promises/Odessa	5,000
Only A Kiss/Aerial	5,000
All The Advice/Donald Reid	5,000
That's Alright/Bic Runga	5,000
Not That Special/Che Fu	5,000
You Got Heart/Dave Dobbyn	5,000
Anticipate/Cassette	5,000
Suave As Sin/Minuit	5,000
Raglan City/Duchess	5,000
We Bring Change/Shapeshifter	5,000
You Are/Elemeno P	5,000
None Of The Above/Shihad	5,000
I Miss You/Truce Lee	5,000
Black Box/Cobra Khan	5,000
Poison Ribbons, Poison Skies/Kitsch	5,000
Miracle Sun/Don McGlashan	5,000
Let's Stay Together/Adeaze	5,000
Shake/Aaradhna	5,000
Lost In Translation/Frontline	5,000
Seasons/5 Star Fallout	5,000
Drown/Blindspott	5,000
Heavy Mono E/The Black Seeds	5,000
Jim Jam/Mo'Reece	5,000

NZ MUSIC VIDEOS (CONT)	NZOA FUNDING
Black Widow/Chong Nee	5,000
Psycho/Motocade	5,000
Scorching Bay/Rhombus	5,000
I Ain't Good For You/Rock 'n' Roll Machine	5,000
Alright Now/Solstate featuring Boh Runga	5,000
Say After Me/Bic Runga	5,000
What I Had/Starlett	5,000
We're All Alone/Yulia	5,000
Lock The Doors/Minuit	5,000
K/The Tutts	5,000
Did You Kill Your Love/Tourist	5,000
Broken Man/Anika Moa	5,000
Death Goes To Disco/Goodnight Nurse	5,000
Live It Up/King Kapisi	5,000
Doin' Just Fine Without You/Rubicon	5,000
Alone Until Tonight/Stylus	5,000
Smokin'/Fast Crew	5,000
Not Your Regular/Tyna & JB featuring Nesian Mystik	5,000
Special Surprise/Luke Buda	5,000
Soul Without Sale/The Have	5,000
Bomb!/P-Money & PNC	5,000
Now I Know/4 Corners featuring Ladi6	5,000
Message For You/Falter	5,000
Get Down/Flow On Show	5,000
Made Of Love/Friends From Sweden	5,000
You Got My Heart/Chong Nee	5,000
Pop Pop/Lemuel	5,000
Mama, I'm A Misfit/Misfits Of Science	5,000
B Your Boy/Voom	5,000
Collie Herb Man/Katchafire	5,000
Tied Up/Juse	5,000
Ladies & Gentlemen/Tyree	5,000
What It's All About/My Life Story	5,000
There Goes Tane/Connan & The Mockasins	5,000
Perfect Drive/Luke Thompson	5,000
You & Me, My Friend/Donald Reid	5,000
Cool Pants/Goldenhorse	5,000
Oxygen/Opshop	5,000
Piece Of My Heart/The Electric Confectionaires	5,000
For A While/Stellar	5,000
Don't Say Anything/The Madison Press	5,000
Silhouettes/Bleeders	5,000
One Left Standing/Elemeno P	5,000
Run Away/Cobra Khan	5,000
So Good/Nesian Mystik	5,000
On & On/III Semantics	5,000
Last Night/Breaks Co-Op	5,000
Now The Sun Is Out/Greg Johnson	5,000
Hold Me Close/Rodney Fisher	5,000
Stay/Blindspott	5,000
Sometimes Enough/The Black Seeds	5,000
Walking Off A Cliff Again/The Mint Chicks	5,000

NZ MUSIC VIDEOS (CONT)	NZOA FUNDING
Turn It Up!/Opensouls	5,000
More Than You Know/Chong Nee	5,000
Calling You/Lemuel	5,000
Shotgun/Deja Voodoo	5,000
War Over Water/Samuel Flynn Scott	5,000
Frisk Me Down/Katchafire	5,000
American Film/Motocade	5,000
A Shadow & A Prayer/Goodnight Nurse	5,000
Last September/Carly Binding	5,000
Under The Illusion/Dimmer	5,000
In A Taxi Home/Donald Reid	5,000
Sweetheart/Aerial	5,000
The Sum Of Us/Minuit	5,000
Tera Matariki/Hinewehi Mohi & Joel Haines	5,000
i20/The Tutts	5,000
JuJu Mama/dDub	5,000
One World/the feelers	5,000
Light Surrounding You/Evermore	5,000
Sign Of The Times/Stylus	5,000
Total committed to 30 June 2006	814,444

RADIO PROGRAMMES	NZOA FUNDING
95bFM (Auckland)	127,000
The Most FM (New Plymouth)	45,000
Radio Control (Palmerston North)	45,000
Active 89FM (Wellington)	69,000
98RDU (Christchurch)	60,500
Radio One (Dunedin)	49,000
un-chart-ed (b-net)	55,465
Off The Record (The Rock)	50,000
NZ Music Vignettes (Mai FM)	50,000
Homegrown (Radio Rhema)	19,250
The Slab (The Edge)	36,000
The Word (ZM Network)	50,000
Indie/Alt/New (Kiwi FM)	50,000
High Noon Tea (Kiwi FM)	31,500
Label Hijack (Kiwi FM)	31,500
NZ Music Revolution (More FM)	50,000
Total committed to 30 June 2006	819,215

RADIO HITS	NZOA FUNDING
It's Been So Long/Greg Johnson	5,000
So True/The Black Seeds	5,000
This Is My Life/Dei Hamo	5,000
Luv Iz/Cydel	5,000
How Good Does It Feel/Michael Murphy	5,000
They Don't Know/Savage featuring Aaradhna	5,000
Thin Line/Chong Nee	5,000
Settle Down/Breaks Co-Op	5,000
Mile High/Rhombus	5,000
Wandering Eye/Fat Freddy's Drop	5,000
Don't Be The One/Greg Johnson	5,000
Geraldine/The Exponents	5,000
West/Lucid 3	5,000
Rather Be With You/Dukes	5,000
All The Advice/Donald Reid	5,000
High Noon/Tyna & JB	5,000
Turn It Up!/Opensouls	5,000
Fuji/Minuit	5,000
I Do Believe/Tha Feelstyle	4,150
The Flow/dDub	5,000
Total committed to 30 June 2006	99,150

PHASE FOUR: MAKING & MARKETING: ALBUMS	NZOA FUNDING
Breaks Co-Op	50,000
Rodney Fisher (ex goodshirt)	50,000
48May	50,000
Opshop	50,000
Chong Nee	50,000
Evermore	50,000
Tim Finn	50,000
P-Money	50,000
Gareth Thomas (ex goodshirt)	50,000
Bruce Conlon (ex eight)	50,000
Don McGlashan	50,000
Fast Crew	50,000
Bic Runga	50,000
Che Fu	50,000
Elemeno P	50,000
Paul McLaney (aka Gramsci)	50,000
The Bleeders	50,000
Pluto	50,000
The Datsuns	50,000
Steriogram	50,000
Total committed to 30 June 2006	1,000,000

HIT DISCS	NZOA FUNDING
Kiwi Hit Disc	100,340
Iwi Hit Disc	27,471
Total committed to 30 June 2006	127,811

PHASE FOUR: MAKING & MARKETING: NEW RECORDINGS AND TE REO RADIO HITS	NZOA FUNDING
All I Wanted/Amp	5,000
You Know/Beetrootz	5,000
Wrapped In Plastic/Cobra Khan	5,000
There Goes Tane/Connan & The Mockasins	5,000
Made Of Love/Friends From Sweden	5,000
Spoken/Losing Face	5,000
Not Good For Me/Kat McDowell	5,000
Jim Jam/Mo'Reece	5,000
Spectacular Little Death/Motocade	5,000
That's Us/Shore Syndicate	5,000
All My Love/The Electric Confectionaires	5,000
Timeless/4 Corners	5,000
Prevent The Cure/Amygdala	5,000
Jonny Rude/Badtown	5,000
Not Home/Cassette	5,000
Perfect Drive/Luke Thompson	5,000
Real Feeling/Natalie Elms	5,000
Alright Now/Solstate featuring Boh Runga	5,000
I Love You But You Don't Love Me Back/T & S	5,000
Friday Night/The Rabble	5,000
Ironman/Amp	5,000
I Bet Myself/Ted Brown	5,000
Operation/Rebecca Le Harle	5,000
Pop Pop/Lemuel	5,000
Gimme The Night/Madam	5,000
What It's All About/My Life Story	5,000

PROMOTIONS	NZOA FUNDING
Advertising in key music and radio industry publications	8,000
NZ Music Month	5,000
Fresh Air in Median Strip	42,200
Total committed to 30 June 2006	55,200

PHASE FOUR: MORE PLUGGER POWER	NZOA FUNDING
Pluggers	182,210
Pluggger Support & Promotions	162,166
Total committed to 30 June 2006	344,376

PHASE FOUR: MORE MUSIC TELEVISION	NZOA FUNDING
C4 Music Channel	300,000
Juice/NZOWN	100,000
NZ Music Awards	115,298
Total committed to 30 June 2006	515,298

PHASE FOUR: MAKING & MARKETING:
NEW RECORDINGS AND TE REO RADIO HITS (CONT) NZOA FUNDING

Just Roll/PNC	5,000
Lil' Brat/Dukes	5,000
Don't Say Anything/The Madison Press	5,000
Walk Away/These Four Walls	5,000
Fly Away/5 Star Fallout	5,000
Blazin'/AI	5,000
Summer Skies/Johnny Barker	5,000
Get Wid It!/Bling	5,000
Bring It/Mr Boinkin & The Kurnel Emcee	5,000
Don't Let It Get You Down/Miriam Clancy	5,000
The One/Exiles	5,000
Simply On My Lips/Kimbra	5,000
Get Up/The Chalk	5,000
Walking In The Rain/The Valves	5,000
Te Reo Radio Hit – Winner of the 2006 MTS Toru talent quest	5,000
Total committed to 30 June 2006	205,000

PHASE FOUR: RADIO REMIX PROJECTS

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PHASE FIVE

Phase Five Implementation	550,000
International Radio Plugging Campaigns *	300,000
Total committed to 30 June 2006	850,000

PHASE FIVE: INTERNATIONAL RADIO PLUGGING CAMPAIGNS*

Commitment made October 2005	300,000
- Greg Johnson/Save Yourself (US)	(20,000)
- Pluto/Long White Cross (UK)	(20,000)
- Katchafire/Who You With (US)	(20,000)
- Elemeno P/You Are (Aus)	(20,000)
- Big Runga/Say After Me (UK & Ireland)	(20,000)
- Goldenhorse/Run Run Run (UK & Germany)	(20,000)
- The Bleeders/Nightmares (Australia)	(20,000)
Balance unallocated at 30 June 2006	160,000

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Directory

Members

Don Hunn **CHAIRMAN**of Otaki
 Judy Callingham **DEPUTY CHAIR** of Auckland
 James Coleman of Auckland
 Edie Moke of Christchurch
 Gaylene Prestonof Wellington
 Paul Smith of Auckland

Staff

Jo Tyndall Chief Executive
 (seconded to Ministry for Culture & Heritage)
 Bernard Duncan Acting Chief Executive
 Kathryn Quirk Acting Television Manager
 Brendan Smyth NZ Music Manager
 Elizabeth Morrison Finance and Administration Manager
 Shona Geary Acting Policy and Research Manager
 Simon Ball Manager, Project and Financial Analysis
 (until May 2006)
 Elaine Wong Manager, Project and Financial Analysis
 (from May 2006)
 Alicia Sutton Contracts Manager and Client Relations
 Robyn Andrews Office Administrator/Finance Assistant
 Anita Roberts Personal Assistant
 Teresa Tito Executive Assistant, Television
 Trish Cross Receptionist
 (shared with Broadcasting Standards Authority)
 Christine Westwood Finance and Administration Assistant

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