

1998/99 Annual Report

for the year ended 30 June 1999



**NZ
ON
AIR**
Te Kaitiaki Take Kōwhiri
Māori





1 9 9 8

A N N U A L

1 9 9 9

R E P O R T



Chairman's Overview	2
Collecting the Broadcasting Fee	3
Television	4
National Radio & Concert FM	5
Maori Broadcasting	6
Commercial Radio Programmes	7
Access Radio & Pacific Island Radio	7
New Zealand Music	8
Transmission Coverage	9
Archives	10
Year 2000	10
The Year Ahead	10
Board Membership & Staff Changes	10



C O N T E N T S

Financial Statements for the year ended 30 June 1999	11
Management Statement	11
Statement of Accounting Policies	12
Statement of Financial Performance	13
Statement of Movements in Equity	13
Statement of Financial Position	14
Statement of Cash Flows	15
Notes to the Financial Statements	16
Statement of Commitments & Contingent Liabilities	21
Statement of Resources	21
Statement of Objectives & Service Performance	22
Statement of Management Procedures	32
Report of the Audit Office	34
Historical Statistics	35
Television Programmes	36
Radio Programmes & NZ Music Projects	39
Directory	40



Chairman's Overview



David Beatson

This year is a milestone year for NZ On Air. It is ten years since NZ On Air was set up to promote New Zealand culture and identity in broadcasting and to provide the diversity of local content that the commercial broadcasting market will not deliver.

It turned out to be a milestone year for another reason. Close to year's end, the Government announced that it would abolish the Public Broadcasting Fee – the source of NZ On Air's funding over those ten years – with effect from 1 July 2000 and to replace that funding with Government Vote money. It is the end of a decade, and the end of an era.

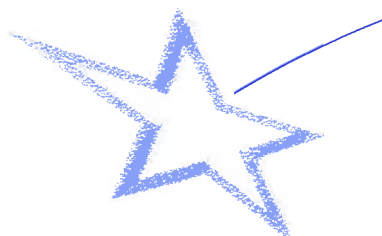
At this time, it is worth reflecting on some of the achievements of the past decade –

- Local programming on the free-to-air television networks has more than trebled – from 2,112 hours in 1989 to 6,296 hours in 1998. NZ On Air funding today accounts for only around 30% of total local content on air.
- Radio New Zealand's public radio services – National Radio and Concert FM – have been established as strong, independent entities under a Charter enshrined by statute.
- *Shortland Street* – now in its eighth year as a top-rating drama – would not have happened had it not been for NZ On Air funding.
- New Zealand documentary hours on television have grown spectacularly from 43 hours in 1988 to 334 hours in 1998, with many no longer requiring funding from NZ On Air to be made.
- Ambitious, high-end documentary series like *The New Zealand Wars* and *Hillary: A View From The Top* have proved that in-depth explorations of our history and our people are embraced enthusiastically by New Zealanders.
- National Radio and some of its flagship programmes like Kim Hill's *Nine To Noon* and Brian Edwards' *Top O' The Morning* have become the most popular radio programmes in many centres throughout the country.
- There were just four Maori radio stations on air in 1989. Today there are more than 20 (funded now through Te Mangai Paho).
- The number of access radio stations has nearly trebled from four in 1989 to eleven today and dedicated Pacific Island radio services have been established in Auckland and Wellington.
- New Zealand music content on commercial radio, while still low by international standards, has increased more than four-fold in the last three years.

At the same time, it is important that we do not ignore the pressures that are building. Cracks are appearing, and growing, as funding pressures increase and income plateaus. We have reached the limit of what is achievable with the funding available. We are forecasting a reduction in the number of hours of NZ On Air-funded local content in the year ahead. We have already seen a worrying decline in children's broadcast hours over the last two years.

NZ On Air is barely able to sustain existing initiatives, and can contemplate new ones only by making unpalatable cuts elsewhere in our budget. The experience of the last ten years makes it very clear that public interest broadcasting cannot and will not survive in a fully commercial market. The genres identified as being most at risk in the Broadcasting Act remain at risk today. In a number of areas of significance to the reflection and development of New Zealand's culture and identity, there are worrying signs of deterioration.

- The output of New Zealand children's programmes broadcast on television networks has halved from 1,265 hours in 1992 to 613 hours in 1998.
- Only 7 hours of first-run NZ On Air-supported drama screened during 1998.
- In the last seven years, only one children's drama project (two series of *Mirror, Mirror*) has been undertaken.
- NZ On Air is only able to support one or two in-depth, research-driven documentary projects per year.
- Maori programmes for a mainstream audience remain at minimal levels.
- Production of programming designed to serve the special interests of women has greatly declined.
- Youth-oriented drama and comedy projects for commercial radio, cut in 1998, cannot be reinstated.
- Free-to-air music television programmes for New Zealand youth have all but disappeared with the demise of Max TV, Cry TV and MTV.
- Regional and local programming – once a popular feature of our most widely accessible television networks – is now sporadic at best.



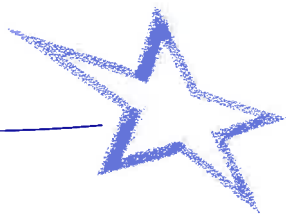


Television and radio are the two most powerful and pervasive media of our time, with New Zealanders watching 20 hours of television per week on average. A mechanism that allows us as a nation to have a conversation with ourselves is vital. NZ On Air conducted two important pieces of research during the year. The first – *Local Content & Diversity: Television In Ten Countries* – looked at broadcasting policies in a range of international markets with which New Zealand likes to compare itself. The study found that all countries intervened to promote local content and diversity on television, using a package of measures. New Zealand is at the lowest end of the international spectrum in terms of the extent of Government intervention and the levels of local content on television.

The second research project, conducted by CM Research, examined public awareness of NZ On Air and its functions. The survey found an overwhelming majority of respondents (91%) wanted local content to either increase or remain the same. Three-quarters of respondents recognised a linkage between local programming and New Zealand's cultural identity. And more than 80% favoured some form of requirement for broadcasters to screen local programmes. These results have been clearly trending upwards in the last three years. It is undeniable that New Zealanders support local content and diversity in broadcasting.

NZ On Air began to advocate the need for widespread and well-informed debate on broadcasting issues during the year. As champions of a diverse range of local content, we believe this is the only basis on which policy changes should be contemplated. Public interest broadcasting is too important to be seen as an aberration, at best tolerated in a free-market economy.

If New Zealand is serious about a creative, innovative, knowledge-based economy as we enter the new millennium, then we must first be serious about fostering New Zealand culture and identity. For a confident, impassioned and driven community with a clear competitive edge, we must ensure we can be active citizens in broadcasting rather than passive consumers in the face of the global communications assault. We therefore ignore the mounting pressures on public interest broadcasting at our peril.



Collecting the Broadcasting Fee

The Public Broadcasting Fee has provided the sole independent source of funding for public broadcasting since 1923 when an annual radio licence was introduced. In May 1999, the Government announced that the Fee would be abolished with effect from 1 July 2000 and that in the transition year to 30 June 2000, Fee-payers would be billed on a pro-rata basis.

The May Budget decision had an immediate impact on Fee collection over the last two months of this year. Cash receipts were down about 20% on expected levels due initially to media speculation in advance of the Budget, then to a general misunderstanding about when the decision was to take effect. Since then, collection has returned to near normal levels.

This year, the number of account billings rose marginally to 1,123,843 households – 92,732 new accounts were added, but 91,214 accounts were cancelled through movements in the population – emigration, merging of households, etc.

Cash receipts totalled \$93.4 million – down on last year's \$94.6 million. Collection costs were down on last year as a result of efficiencies and the installation of new collection computer systems and software.

A group opposed to the Broadcasting Fee challenged the legality of the Fee in the courts but the challenge was lost. In December 1998, the High Court issued a ruling that the Fee is not an illegal tax and that the regulations under which the Fee is levied are valid. The lobby group appealed the ruling but the High Court decision was upheld by the Court of Appeal.

Over the past ten years since NZ On Air was set up, the level of Fee compliance has risen by 275,363 billings or 32%. With the exception of any small increases in the number of Fee-payers due to population growth, NZ On Air has reached the optimum level of Fee compliance in recent years.

Television

This year, \$42.8 million or 51% of NZ On Air's investment in broadcasting was devoted to the production of New Zealand programmes for television. This investment will result in 771 hours of local content.

NZ On Air continued to apply its funding to four main genres – drama and comedy programmes

for prime-time; documentary programmes for prime-time; programming for children and young people; and programming for special interest audiences. This is the kind of programming that the commercial market will not deliver because it is costly or high risk. Nevertheless, these genres are vital ingredients in a television diet that

will reflect and develop New Zealand culture and identity, and a review of the most-watched NZ On Air-funded programmes for the year demonstrates that the effort delivers results which are appreciated by New Zealand audiences.

Funding for drama remains a priority for NZ On Air. The hours of funded drama programmes increased this year – 66½ hours compared with 59½ hours last year – including an 11-part series of the detective drama *Duggan* (for TV One) which was successfully piloted earlier in the year, new series of *Pulp Comedy* (TV3) and *Market Forces* (TV One) and two

The two established umbrella documentary strands – *Documentary New Zealand* on TV One and *Inside New Zealand* on TV3 – provided audiences with coverage of more than 50 subjects between them, ranging from the deeply moving story of Jane Devine's battle with cancer (*My Name Is Jane*) to David Lange's review of immigration policy and practice in New Zealand (*The Immigration Explosion*), from popstars of the sixties (*C'mon – On The Road Again*) to *The Great Kiwi Pub*. Outside the two strands, there was support for evergreens like *Country Calendar* through to new projects like the hugely successful *Popstars* which gave New Zealand



Scarfies



Popstars



My Name Is Jane



Havoc



Lawless



Greenstone

Most-Watched NZ On Air-Funded Television Programmes

Title	Viewers	Genre
Country Calendar	595,400	Documentary
Popstars	559,000	Documentary
Documentary New Zealand	554,000	Documentary
Market Forces	527,500	Comedy
Jackson's Wharf	525,300	Drama
Young Entertainers	507,900	Performance
Epitaph	492,000	Documentary
McPhail & Gadsby	476,600	Comedy
Duggan – Sins Of The Fathers	469,700	Drama
Lawless	445,500	Drama
Greenstone	440,500	Drama

Source: AC Nielsen. Programmes screened between 1 July 1998 and 30 June 1999. Series' audiences are averaged across the series.

TV2 telefeatures – *Lawless* and *Street Legal*.

Four drama programmes were among the most-watched NZ On Air-funded television programmes this year – *Jackson's Wharf*, the new weekly serial from the makers of *Shortland Street*, the *Duggan* pilot, *Lawless* and the major period drama, *Greenstone*.

NZ On Air was also involved with two major feature films which premiered this year – Alan Duff's *What Becomes Of The Broken Hearted* and the successful Dunedin student-flat black comedy, *Scarfies*.

TrueBliss and Havoc and Newsboy's wacky Cook's tour of the country.

NZ On Air continued to encourage the networks to screen Maori programmes in mainstream timeslots. The most effective progress made in this area was within the two documentary strands. Broadcasters were required to ensure that Maori projects comprised 15% of the programmes screened in these strands. This initiative resulted in documentaries like *Tale Of The Fish*, *Ngati Ocker*, *Hell For Leather* and *Bastion Point: The Untold Story*. One of the six one-hour dramas

being produced in association with TV3 will also be a Maori project.

Two major millennium series are in production – *Coming Home* (for TV3) which will look at New Zealanders who have made a mark overseas and *Our People, Our Century* (for TV One), the story of the country's last 100 years told through family histories which will be the biggest documentary series ever made in New Zealand.

For children, new projects were developed this year to supplement the likes of *You & Me* on TV3 and *What Now* on TV2, both of which have served young New Zealanders well over many years. A new children's news programme called *Wired* debuted as part of the *What Now* afternoon



Suzy's World

slot, a science series for children hosted by Suzy Cato (*Suzy's World*) was developed for TV3 and a new pre-school series called *Bumble* went into production for TV2.

Regular series like *Ice TV* (TV3), *Mai Time* (TV2) and *Squeeze* (TV2) for the youth audience and special interest series like *Backchat*, *Asia Dynamic*, *Tagata Pasifika*, *Praise Be* and *Inside Out* were funded again this year.

A full list of television programmes funded by NZ On Air this year can be found on pages 36 to 38.

National Radio & Concert FM



National Radio

In February 1999, NZ On Air and Radio New Zealand signed a contract setting out the terms and conditions of funding for National Radio and Concert FM for the three years to 30 June 2001. The contract guarantees funding of \$21.4 million per annum for the two services in line with the directive issued by the Minister of Communications in May 1998. The \$21.4 million per annum is \$2 million a year more than was provided in the previous three-year contract.

The current contract requires Radio New Zealand to deliver the services required by its statutory Charter (set out in Section 7 of the Radio New Zealand Act 1995) and also to deliver services that help NZ On Air fulfil its statutory functions. In this first year of the new contract term, Radio New Zealand not only met but in most cases surpassed the programming targets in the contract – delivering more New Zealand content hours (89%), more hours of Maori programming (270 hours), more hours of New Zealand drama (131 hours) and more New Zealand music on National Radio (26%) than required by contract.

Under the contract, NZ On Air and Radio New Zealand must meet in May each year to review programme targets for the next contract year. In May 1999, new programme targets were agreed for the 1999/2000 year and in most cases, the targets were increased.

National Radio continued to perform well in the regular radio industry audience surveys this year. National Radio again topped the Wellington survey, increasing its lead over the second-placed station, and the flagship National Radio shows – *Morning Report*, Kim Hill's *Nine To Noon* and Brian Edwards' *Top O' The Morning* – again rated exceptionally well.

Until now, National Radio and Concert FM have subscribed to the regular commercial radio audience surveys carried out for the industry by Research International. In 1999, however, Radio New Zealand opted to withdraw from the industry surveys and to commission its own stand-alone national audience survey. The decision was driven in part by the cost of continuing to subscribe to the commercial industry surveys, but mostly it was because the commercial surveys were limited.

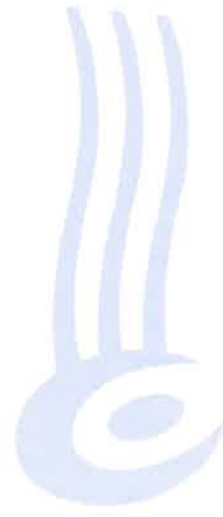
The new stand-alone survey will give Radio New Zealand the opportunity to get a truly nationwide reading of its audience for the first time – including rural New Zealand which is not covered by the commercial surveys – and it gives the company the opportunity to do the kind of serious qualitative research that is required by the Radio New Zealand Act, the Ministerial directive and the NZ On Air funding contract. The survey went into the field in May 1999.

National Radio and Concert FM remain jewels in the public broadcasting crown – intelligent, vibrant, quality services that are valued and used by hundreds of thousands of New Zealanders every week.

Detailed information on the performance of National Radio and Concert FM this year can be found on page 24.



National Radio



Maori Broadcasting



Mai Time

NZ On Air's main contribution to Maori broadcasting is delivered through the separate independent Maori broadcasting funding agency Te Mangai Paho which funds Maori radio services and television programmes which promote te reo Maori and are intended primarily for a Maori audience.

In 1998/99, NZ On Air provided \$12.4 million to Te Mangai Paho in line with a directive from the Minister of Communications. Te Mangai Paho makes its own Annual Report to Parliament.

NZ On Air supplements this commitment to the work of Te Mangai Paho with funding for programmes on regular mainstream television and radio which feature Maori talents, stories, interests and perspectives which are aimed at a general audience. Examples on television this year include the ever-popular *Mai Time* plus prime-time documentaries like *Bastion Point: The Untold Story* and *Kiri Maori* and *It's Cool To Korero* which involve substantial Maori creative involvement and feature aspects of Maori life and culture. Reference has already been made to NZ On Air's effort to improve the representation of Maori culture in umbrella series of documentary and drama production, and consultation with Maori creative talents involved in television production continued throughout the year to review the progress of this initiative.

On National Radio, weekly features like *Whenua*, *Mauri* and *Mana News* provided important coverage of Maori issues and interests accessible to the broad New Zealand audience. This year, National Radio delivered 270 hours of Maori language and culture programming.

In New Zealand music, NZ On Air makes sure that the work of Maori songwriters and musicians is represented on screen (via music videos), on disc (via *Kiwi Hit Disc* and the special contemporary Maori music disc *Iwi Hit Disc*) and on radio (via syndicated music shows like *Counting The Beat*, *Kiwi Chart Breakdown*, etc).

More detailed information on NZ On Air's Maori broadcasting work can be found on page 26.

Commercial Radio Programmes

Last year, NZ On Air funded a raft of independently-made drama, comedy and youth radio shows for commercial radio. However, at the end of the 1997/98 year, NZ On Air was forced to cut funding for all but one of these shows to free up the funds required to fulfil the Government's directive to increase funding for National Radio and Concert FM.

The survivor was the youth radio show *Rampage* (and its two sister shows *Te Puutake* and *The Rampant Chat Room*). *Rampage* is a one-hour weekly magazine show dealing with issues of concern and interest to youth which is made by young people and is carried by 20-plus radio stations around the country. *Rampage* suits rock-format stations while *Te Puutake* is crafted for urban-format stations and *The Rampant Chat Room* is customised for the influential ZM network.

At this year's New Zealand Radio Awards, *Rampage* collected the award for best daily or weekly series (against heavyweights like Paul Holmes on Newstalk ZB) and *Te Puutake* (which won the category last year) received a special commendation.

In the radio drama category, all three finalists were NZ On Air-funded shows that were the victims of last year's cuts - the sci-fi thriller *Claybourne*, the suburban soap *Keep Up With The Jones* and the comedy show *Starship Cortina*. The award went to *Claybourne*, produced by Andrew Dubber and Belinda Todd for the Newstalk ZB network.

NZ On Air remains keen on the idea of infiltrating commercial radio with drama, comedy and youth radio shows, seeding this kind of programming which is close to NZ On Air's statutory heart and delivering to the substantial audiences that use commercial radio services. The loss of the drama and comedy shows last year was a major disappointment to NZ On Air - as it was to the commercial radio host stations - but until NZ On Air's funding improves, the prospects for resuming this work remain bleak.



Te Puutake

Access Radio & Pacific Island Radio

No new stations joined the stable of NZ On Air-funded access radio services this year. Instead, NZ On Air concentrated its access radio work on implementing the findings of the 1997 review of access radio carried out by Brian Pauling of the Christchurch Polytechnic Broadcasting School.



Fresh FM

As a result of the 1997 review, NZ On Air commissioned Brian Pauling to act as a roving consultant through 1998 and again in 1999, working not only on implementing the review but also acting as a mentor to stations which are striving for governance, management and operational improvements. He (and co-consultant, Sarah Ayton) worked closely this year with AM1206 Community Radio in Hamilton, Radio Kidnappers in the Hawkes Bay, Coast Access FM on the Kapiti Coast/Horowhenua, Fresh FM in Tasman Bays, Hills AM in Dunedin and Radio Southland in Invercargill.

The Pauling/Ayton consultancy will come to an end in April next year. The outcome will be the publication of an access radio reference manual which will help the governors, managers and programme-makers in existing stations to deal with policy and operational issues as they arise but will also be a valuable aid to those setting up new access radio services in the future.

Meanwhile, the 11 access radio stations in the current stable continued to provide lively, challenging, diverse and sometimes off-beat radio "by the people, for the people". This year's New Zealand Radio Award finalists for best access or community radio programme were two Plains FM programmes - *Efm* from the students of Linwood High and a programme for the Dutch community called *Echo Radio* - and Kelly Tikao's *Youth Suicide: A Youth Perspective* broadcast by Hills AM in Dunedin.

This year, NZ On Air continued to fund the two dedicated Pacific Island community radio services broadcasting in the areas of greatest Pacific Island population - Radio 531pi in Auckland and Samoan Capital Radio in Wellington. These dedicated services supplemented the contribution that access radio itself makes to Pacific Island audiences throughout the country. Both dedicated services are valued by and well used by the communities they serve.

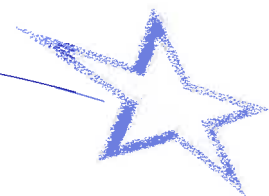
As well, NZ On Air maintained its support for the Radio Reading Service provided by Print Disabled Radio in Levin - a service catering for people who cannot see, hold or read regular printed material.

A full list of the access radio and Pacific Island radio stations funded by NZ On Air this year can be found on page 17.



Samoan Capital Radio

New Zealand Music



Stellar



The campaign to get more New Zealand music played on the radio – especially commercial radio – gathered pace this year and at year's end there were encouraging signs that decent progress was being made.

There is now more New Zealand music being played on commercial radio than at any time in the last two or more years.

In the April/June 1999 quarter, New Zealand music content on commercial radio overall was 8.68%. In 1996, according to APRA (the Australasian Performing Right Association), it was 1.9%. On Top 40 radio, New Zealand content in the June 1999 quarter was 8.61%; it has been as low as 3.79% in the last two years. On Rock radio, it was 10.53% at June 1999; it has been as low as 4.05%. On Adult Contemporary radio – traditionally the most difficult format – it was 5.96% at June 1999; it has been as low as 2.41%.

NZ On Air's immediate goal is to see double digits New Zealand music – more than 10% – on commercial radio overall and format by format. The June 1999 quarter results suggest that this goal is achievable in the very near future.



Che Fu

NZ On Air uses a range of tools in the campaign to get more New Zealand music played on the radio. The music videos which help create hits; the radio shows which corner dedicated air-time on commercial radio for New Zealand music; the funding for student radio's New Zealand music work; the Radio Hits funding incentives for achieving significant commercial radio airplay; the hit discs that deliver a regular smorgasbord of quality New Zealand music to every radio station in the land; and a raft of promotional strategies – all continued this year.

NZ On Air's most significant recent intervention, however, has been the employment of a "pluggger" – a person to actively promote the hit disc catalogue at radio. This year, NZ On Air turned the half-time trial pluggger

position into a full-time pluggger and expanded the brief to work Adult Contemporary radio as well as Top 40 and Rock radio. The steady increase in New Zealand content on these three formats this year is no coincidence – it is due in large part to the efforts of the pluggger, Nicole Gilbert, who has worked effectively to get songs off the discs and on to commercial radio playlists.

Deep Obsession



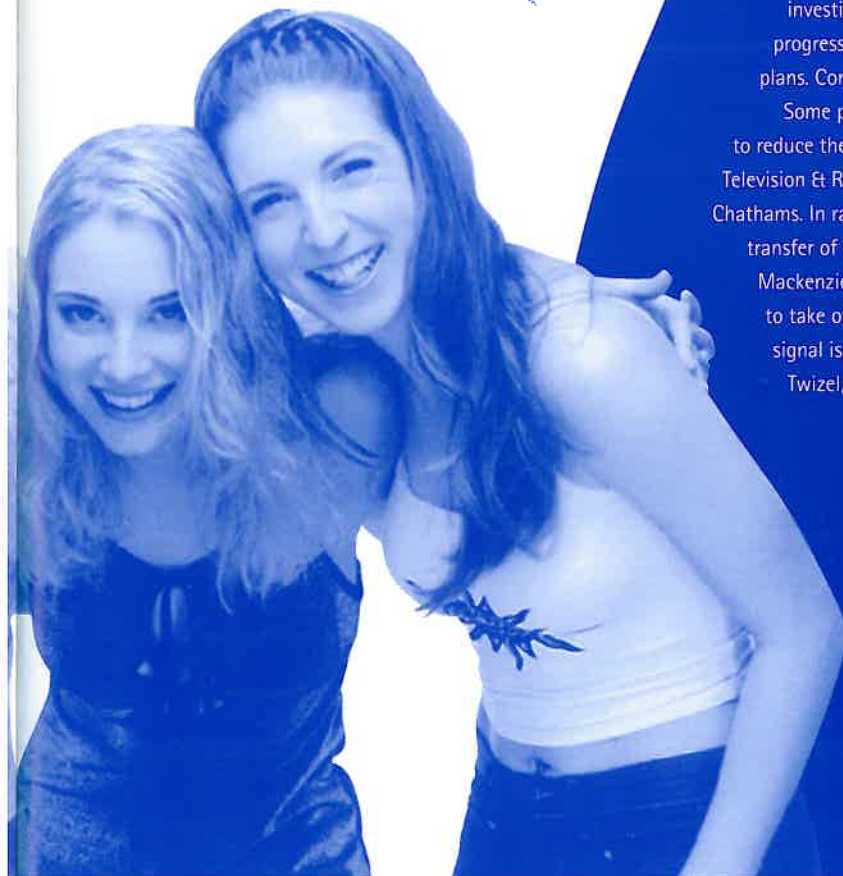


Fiona McDonald

Expanding the plugger's brief to take in Adult Contemporary radio was part of a deliberate strategy to tackle the lack of New Zealand music in this format. As the figures above demonstrate, Adult Contemporary format radio – including Classic Hits, Easy and Lite formats – is lagging behind. It is adult-targeted radio that is dragging the overall level down (New Zealand content on youth-targeted radio in the June 1999 quarter was just over 12%) and unless things improve in that quarter, the overall level will continue to suffer. This year, as well as expanding the plugger's brief, NZ On Air got together an "A/C Think Tank" – prominent Adult Contemporary programmers – to help tackle this issue, and developed a new series of hit discs – the *A/C Hit Disc*.

While there is more New Zealand music on commercial radio now than in the past two years, it is still not enough and NZ On Air will continue to campaign vigorously.

A list of New Zealand music projects funded by NZ On Air this year can be found on page 39.



Transmission Coverage

NZ On Air is still spending in excess of \$2 million to subsidise the costs of broadcasters providing television and radio signals to remote areas of the country. In 1992, NZ On Air spent more than \$5 million on this function. The reduction in funding over the years is good news but it remains a concern that funds are tied up in such infrastructural support when the pressures on programme funding are so great and are increasing.



Chatham Islands Television

NZ On Air's goal is to see this reliance on subsidy progressively eliminated as more cost-effective technologies offer cheaper ways of getting services out to remote areas. NZ On Air is keen to see the broadcasters themselves take on more responsibility for servicing this section of their audience.

Most of the NZ On Air funding goes to TVNZ to maintain TV One and TV2 coverage into non-commercial areas. This year, NZ On Air continued to investigate options and alternatives with TVNZ but was not able to make much progress because the company has yet to resolve its long-term transmission plans. Consultations with TVNZ are continuing.

Some progress was made elsewhere in the television and radio coverage area to reduce the reliance on NZ On Air funding. NZ On Air and the Chatham Islands Television & Radio Society reviewed options for maintaining a television service in the Chathams. In radio, NZ On Air and its broadcaster partners agreed on a progressive transfer of responsibility for the community radio services in Murchison, the Mackenzie Country, South Westland and Te Kuiti and Radio New Zealand agreed to take over responsibility for the "Tiny Towns" scheme whereby a National Radio signal is made available to community-owned and operated relays in places like Twizel, Te Anau, Tekapo and Wanaka.

Archives

NZ On Air is spending just under \$1 million a year on radio and television archiving services at present. Television programme archiving services are provided by The New Zealand Film Archive and radio programme archiving services are provided by Sound Archives Nga Taonga Korero, a Radio New Zealand-owned company with collections based in Christchurch and Auckland. Both archives have three-year funding contracts (to 30 June 2000) to provide selection, acquisition, preservation and public accessibility services.

The New Zealand Film Archive this year archived 755 hours of television programmes and carried out preservation work on another 70 hours of programmes. Sound Archives Nga Taonga Korero archived 1,427 hours of radio programmes and carried out preservation work on another 1,103 hours. Throughout the year, the public was able to access both archives' collections.

The Year Ahead

In July 1999, NZ On Air published its Statement of Intent for the year to 30 June 2000. Industry briefings were held in Auckland and Wellington to explain plans and priorities for the year ahead and, at the same time, outline some of the challenges and constraints.

We say in the Statement of Intent that we are increasingly concerned about our ability to fulfil our objectives adequately because we have reached the limit of what is achievable with the funding available. This will mean a reduction in the hours of local content that we can fund on television and it will mean no new funding initiatives can be contemplated.

We say that our priorities in the year ahead are to vigorously promote the value of diversity and local content and to argue with urgency the case for building the funding base for local content. We stress that this is vital as New Zealand looks to position itself as a creative, innovative, knowledge-based economy heading into the 21st century.

Copies of the Statement of Intent are available from NZ On Air or by visiting our web site at www.nzonair.govt.nz.

NZ On Air's financial statements for the 1998/99 financial year reveal a negative public equity position to the tune of \$18.5 million. This is because a substantial increase in the provision for doubtful debts of \$25.6 million had to be made this year, following the Government's decision to phase out the Public Broadcasting Fee by 1 July 2000. This change to our funding base leaves NZ On Air with little more than a year to collect all outstanding fees which totalled \$47.7 million as at 30 June 1999. We have nevertheless continued to allow for funding allocations that had been forecast for the 1999/2000 year prior to the Budget announcement, on the basis of assurances from Government that at some point in the coming year, the level of NZ On Air's public equity will need to be re-addressed in the light of Public Broadcasting Fee collections received during the phase-out period.

Year 2000

We have taken steps this year to identify the potential impact of Year 2000 issues on our information systems and general operations, conferred with our major product and service providers, and are satisfied that the issues are being addressed.

On the basis of assurances given, we believe that our internal operating systems are Year 2000 ready.

Board Membership & Staff Changes



Left to right: Trish Stevenson, Pamela Meekings-Stewart, Hekia Parata, David Beatson, Louise Rosson, Roger Horrocks.

This year, we welcomed two new Board members – Hekia Parata of Ruatoria and Louise Rosson of Dunedin who replaced Juliet McKee and Barbara Stewart. Roger Horrocks, our longest-standing Board member, was appointed Deputy Chairman when Juliet McKee left.

In January, Jo Tyndall took up the Chief Executive position vacated last year by Chris Prowse. Jo comes to NZ On Air from a career with the Ministry of Foreign Affairs & Trade and then with SPADA – the Screen Producers & Directors Association – where she was instrumental in successfully negotiating access to Australia for New Zealand television programmes. Jo brings a wealth of experience and a real commitment to local content and public broadcasting to the job. We are fortunate to have her talents and experience on board.

My thanks to my fellow Board members and the NZ On Air staff for their good work through the year. Special thanks, too, to the Minister of Communications, Hon Maurice Williamson who at year's end was about to hand over responsibility for NZ On Air to the new Minister for Culture & Heritage. Maurice Williamson has been a consistent and enthusiastic supporter of NZ On Air and its work. We have greatly valued his interest and commitment.



Jo Tyndall

David Beatson
CHAIRMAN

Financial Statements

Management Statement

for the year ended 30 June 1999

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 1999 fairly reflect the financial position and operations of NZ On Air.



David Beatson
CHAIRMAN



Jo Tyndall
CHIEF EXECUTIVE

27 September 1999

Statement of Accounting Policies

for the year ended 30 June 1999

The following accounting policies have been applied in the preparation of the financial statements for the year ended 30 June 1999.

REPORTING ENTITY

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

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

MEASUREMENT BASE

The measurement base adopted is that of historical cost.

ACCOUNTING POLICIES

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

- **Accounts receivable**
Accounts receivable are shown at their estimated net realisable value after allowing for doubtful debts.
- **Non-current assets and depreciation**
Non-current 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 residual value at the end of the economic life of the asset.

Computer equipment	3 years to a nil residual value
Office equipment	5 years to a nil residual value
Furniture and fittings	6 years to a nil residual value
Leasehold alterations	6 years to a nil residual value
- **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 exclusive of GST.
- **Taxation**
NZ On Air is exempt from 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 includes funds committed but not paid out at the year end.
- **Cost allocation policy**
All expenditure not related to the collection of the Public Broadcasting Fee or used to fund broadcasting services has been allocated to administration expenditure. The Government approves

the level of administration expenditure in accordance with Section 49 of the Broadcasting Act 1989.

- **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.
- **Public Broadcasting Fee**
Income from the Public Broadcasting Fee is accounted for at the time the invoice is issued. This is based on the Broadcasting (Public Broadcasting Fees) Regulations 1989 which establishes the Fee-payer's liability as payable in advance.
- **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 billing and enforcing payment of existing Fee-payers.
- **Compliance costs**
Compliance costs are incurred in order to bill new 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 financial statements. Revenue and expenditure in relation to all financial instruments are also recognised in the financial statements.
- **Statement of cash flow**
Cash means cash balances on hand, held in bank accounts and on demand deposits.
Operating activities include cash received from the collection of the Public Broadcasting Fee and other income sources. Payments refers to the funds advanced for broadcasting services, used to collect the Public Broadcasting Fee, and for the general supply of goods and services to NZ On Air.
Investing activities are those activities relating to the acquisition and disposal of fixed assets.
- **Commitments**
The allocation of funds against future years' income is recorded in the Statement of Commitments. Other future payments are also disclosed as commitments at the point a contractual obligation arises, to the extent that 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 those used last year.

Statement of Financial Performance

for the year ended 30 June 1999

	Notes	Actuals 1999 (\$000)	Budget 1999 (\$000)	Actuals 1998 (\$000)
Income				
Public Broadcasting Fee	1 & 1a	97,056	97,679	100,233
Other income	2	2,924	500	2,281
Total income		\$99,980	\$98,179	\$102,514
Operating expenditure				
Increase in the provision for doubtful debts	1	25,600	-	2,299
Public Broadcasting Fee collection costs	3 & 1a	10,906	11,342	11,402
Administration and consultation	4	1,646	1,674	1,632
		\$38,152	\$13,016	\$15,333
Funding expenditure				
Television	5	42,760	42,754	44,353
Radio	6	23,658	23,513	22,364
Te Mangai Paho		12,400	12,400	12,698
Transmission coverage	7	2,068	3,488	1,921
New Zealand music	8	1,975	2,000	2,066
Archives	9	958	958	922
		\$83,819	\$85,113	\$84,324
Total expenditure		\$121,971	\$98,129	\$99,657
Net surplus (deficit) for the year	10	(\$21,991)	\$50	\$2,857

Statement of Movements in Equity

for the year ended 30 June 1999

Total equity at the beginning of the year	3,476	2,900	619
Plus: net surplus (deficit) as above	(21,991)	50	2,857
Total recognised revenues and expenses for the period	(\$18,515)	\$2,950	\$3,476
Total equity at the year ended 30 June	(\$18,515)	\$2,950	\$3,476

Statement of Financial Position

as at 30 June 1999

	Notes	Actuals 1999 (\$000)	Budget 1999 (\$000)	Actuals 1998 (\$000)
Current assets				
Cash and bank	11	327	1,000	290
Accounts receivable				
- Public Broadcasting Fee	12	9,782	31,500	31,771
- General		243	100	91
- Prepayments		57	-	63
Non-current assets				
	13	84	100	105
Total current and non-current assets		<u>\$10,493</u>	<u>\$32,700</u>	<u>\$32,320</u>
Current liabilities				
Accounts payable		1,086	1,000	1,672
Employee entitlements		13	-	16
Funding liabilities	14	27,909	28,750	27,156
Public equity				
	15	(18,515)	2,950	3,476
Total liabilities and public equity		<u>\$10,493</u>	<u>\$32,700</u>	<u>\$32,320</u>

Statement of Cash Flows

for the year ended 30 June 1999

	Notes	Actuals 1999 (\$000)	Budget 1999 (\$000)	Actuals 1998 (\$000)
Cash flows from operating activities				
Cash was provided from –				
Public Broadcasting Fee	1a	93,445	97,679	94,613
Interest received		230	500	133
Other income received		710	-	693
GST received		-	-	91
Cash was applied to –				
Funding advances to broadcasters and programme producers		(81,012)	(84,100)	(84,979)
Payment to suppliers and employees (including Public Broadcasting Fee collection costs)	1a	(12,721)	(13,079)	(12,812)
GST paid		(573)	-	-
Interest paid		(15)	-	(144)
Net cash (outflows)/inflows from operating activities	10	<u>\$64</u>	<u>\$1,000</u>	<u>(\$2,405)</u>
Cash flows from investing activities				
Cash was provided from –				
Sale of fixed assets		-	-	1
Cash was applied to –				
Purchase of fixed assets		(27)	-	(74)
Net cash (outflows)/inflows from investing activities		<u>(\$27)</u>	<u>-</u>	<u>(\$73)</u>
Net (decrease)/increase in cash held		37	1,000	(2,478)
Opening cash as at 1 July		290	-	2,768
Closing cash as at 30 June		<u>\$327</u>	<u>\$1,000</u>	<u>\$290</u>
Actual cash balance is represented by –				
Call deposits		220	1,000	150
Current accounts		107	-	140
	11	<u>\$327</u>	<u>\$1,000</u>	<u>\$290</u>

Notes to the Financial Statements

for the year ended 30 June 1999

1 Public Broadcasting Fee Income

Public Broadcasting Fee income
Less increase in the provision for doubtful debts (Note (i))

1999 (\$000)	1998 (\$000)
97,056	100,233
(25,600)	(2,299)
<u>\$71,456</u>	<u>\$97,934</u>

Note (i) Following the Government's budget announcement in May 1999 that the Public Broadcasting Fee (PBF) will be phased-out by 1 July 2000, NZ On Air has increased its provision for doubtful debts in order to recognise the increased likelihood of non-collectability of PBF debtors on-hand by 1 July 2000.

1a Public Broadcasting Fee – Budget Figures

The budget figures for Public Broadcasting Fee income and collection costs have been amended to include periodic Fee payments of \$1,679,000. The periodic Fee payment represents the recovery of additional billing and payment processing costs that are paid for by Fee-payers who have chosen to pay the Public Broadcasting Fee by periodic payment rather than an annual Fee payment. In NZ On Air's 1998/99 Statement of Intent, periodic Fee payments were netted off against the cost of PBF collection.

2 Other Income

Writebacks of previous years' commitments which have since been withdrawn or reduced
Share of income from the sale of television programmes
Net interest from deposits (Note (ii))

2,054	1,605
655	687
215	(11)
<u>\$2,924</u>	<u>\$2,281</u>

Note (ii) Net interest from deposits of \$215,000 is the difference between interest received of \$230,000 and interest paid of (\$15,000).

3 Public Broadcasting Fee Collection Costs

Direct collection costs
Compliance costs
Awareness advertising campaign
Administration
Audit fees
Depreciation

7,536	7,561
2,931	3,305
238	334
197	198
3	3
1	1
<u>\$10,906</u>	<u>\$11,402</u>

4 Administration and Consultation Expenditure

Personnel costs
Legal, public relations, and expert advice
Office overheads
Consultation and research
Travel and communications
Commission members' fees
Rent
Depreciation
Audit fees
Loss/(Profit) on sale of fixed assets

665	690
286	308
192	172
163	121
161	145
69	91
47	45
47	44
17	17
(1)	(1)
<u>\$1,646</u>	<u>\$1,632</u>

	Hours	1999 Funding (\$000)	Hours	1998 Funding (\$000)
5 Television Programme Funding				
Drama	66	12,785	60	13,991
Documentaries	104	9,642	119	9,356
Children & young persons' programmes	367	10,134	369	9,409
Special interest programmes (Note (iii))	234	9,925	253	11,400
Total Production funding	771	\$42,486	801	\$44,156
Plus Development funding		274		197
TOTAL TELEVISION FUNDING		\$42,760		\$44,353

Note (iii) Annual funding for the Teletext service (\$1,335,439) is included in the special interest programmes. However, the total programme hours which have Teletext transcriptions are not included in the programme hours.

	1999 (\$000)	1998 (\$000)
6 Radio		
Radio New Zealand		
National Radio	17,479	15,132
Concert FM	3,921	4,268
	\$21,400	\$19,400
Access and special interest community radio		
Auckland Access Radio	177	177
Radio 531pi (Auckland Pacific Island Radio)	125	125
Hamilton Access Radio	144	144
Hawkes Bay Access Radio	90	90
Wairarapa Access Radio	30	30
Manawatu Access Radio	85	150
Print Disabled Radio (Levin)	107	107
Kapiti Coast Access Radio	98	98
Wellington Access Radio	200	200
Samoan Capital Radio (Wellington)	150	150
Tasman Bays Access Radio	200	200
Christchurch Access Radio	175	175
Otago Access Radio	133	133
Southland Access Radio	135	170
Access radio consultancy	60	35
	\$1,909	\$1,984
Programmes on commercial radio	349	980
TOTAL RADIO FUNDING	\$23,658	\$22,364

	1999	1998
7 Transmission Coverage		
Television		
TVNZ's non-commercial transmission coverage	1,714	1,529
Chatham Islands television service	207	228
Radio		
Radio Waitomo (Te Kuiti)	40	85
Other non-commercial community radio services	107	79
	\$2,068	\$1,921

8 New Zealand Music

New Zealand music on radio
New Zealand music videos

1999 (\$000)	1998 (\$000)
1,495	1,656
480	410
<u>\$1,975</u>	<u>\$2,066</u>

9 Archives

Television
The New Zealand Film Archive

Radio
Sound Archives Nga Taonga Korero

503	481
455	441
<u>\$958</u>	<u>\$922</u>

10 Reconciliation of Net Cash Flows from Operating Activities with the Net Surplus (Deficit) for the year

Reported net surplus (deficit) for the year (Note (iv))
Add non-cash items: Depreciation

(21,991)	2,857
48	45
<u>(\$21,943)</u>	<u>\$2,902</u>

Add (less) movements in other working capital items -

- Decrease in accounts receivable
- Increase in GST receivable
- Decrease in prepayments
- Decrease in accounts payable (including employee entitlements)
- Increase in funding liabilities

22,044	(3,315)
(573)	91
6	(63)
(223)	240
753	(2,260)
<u>\$22,007</u>	<u>(\$5,307)</u>

Net cash outflow from operating activities

<u>\$64</u>	<u>(\$2,405)</u>
-------------	------------------

Note (iv) The net deficit of (\$21,991,000) for 1998/99 has been carried forward into public equity. NZ On Air has received a letter dated 14 June 1999 from the Minister of Communications (Hon Maurice Williamson) which states that "NZ On Air should be no worse off financially as a result of the Government's decision to change the basis of funding public broadcasting". Furthermore, the Minister of Communications has confirmed that "...provided NZ On Air has demonstrated [that] all reasonable and cost-effective attempts have been made to recover outstanding [PBF] revenue, they [the Minister of Finance and the Treasurer] would support a proposal to Cabinet in 1999/2000 for additional funding to be provided to NZ On Air to cover any revenue shortfall, or confirmed impact on the organisation's balance sheet (including impacts arising in the current financial year [1998/99])". On the basis of the assurances provided by the Minister of Communications (above), NZ On Air believes that it is in a position to continue operating in a normal manner and, if necessary, will receive an appropriate level of compensatory funding from the Government during 1999/2000.

11 Cash and Bank

Cash comprises cash balances held on hand
and with New Zealand banks (Bank of New Zealand and ANZ).
Call deposits
Current accounts

220	150
107	140
<u>\$327</u>	<u>\$290</u>

12 Accounts Receivable – Public Broadcasting Fee

Accounts receivable – Public Broadcasting Fee (Notes (v) and (vi))
Less provision for doubtful debts

1999 (\$000)	1998 (\$000)
47,737	44,126
(37,955)	(12,355)
<u>\$9,782</u>	<u>\$31,771</u>

Note (v) NZ On Air is unable to waive fees or write-off ageing PBF debtors in accordance with the Broadcasting Act 1989 and the Broadcasting (Public Broadcasting Fees) Regulations 1998.

Note (vi) Accounts receivable – Public Broadcasting Fee is made up of the following –
– PBF accounts receivable greater than a year old
– PBF accounts receivable less than a year old

\$26,586	\$26,958
\$21,151	\$17,168
<u>\$47,737</u>	<u>\$44,126</u>

13 Non-current assets

	Original Cost (\$000)	Accumulated depreciation (\$000)	1999 Book value (\$000)	1998 Book value (\$000)
Computer equipment	206	169	37	57
Furniture & fittings	152	125	27	18
Leasehold alterations	124	111	13	17
Office equipment	53	46	7	13
	<u>\$535</u>	<u>\$451</u>	<u>\$84</u>	<u>\$105</u>

14 Funding Liabilities

At the time funds are committed against the current year's income to a programme or a particular project, the commitment is recorded as a liability and the liability is then reduced as the funds are advanced according to the terms of the funding agreement. Funds are normally paid by instalments to meet the cash flow requirements of the programme or the particular project. At year end, funds had yet to be drawn down for the following activities –

	1999 (\$000)	1998 (\$000)
Television programmes	25,792	24,810
Radio and non-commercial transmission coverage	2,117	2,346
	<u>\$27,909</u>	<u>\$27,156</u>

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

15 Public Equity

NZ On Air has received assurances from the Minister of Communications that NZ On Air's financial position will not be affected by the Government's decision to phase-out the Public Broadcasting Fee (refer Note 10 above). In the meantime, NZ On Air is obliged to carry forward a public equity deficit of (\$18,515,000) until an application can be made to the Government for compensatory funding during 1999/2000.

On the basis that an application for compensatory funding is likely to be supported by the Government, NZ On Air expects its public equity will be reinstated to a level that would have existed prior to the Government's announcement to phase-out the Fee.

16 Financial Instruments

Credit risk

Financial instruments which potentially subject NZ On Air to risk consist of cash and bank, short term deposits and accounts receivable. NZ On Air invests funds only with registered banks with satisfactory credit ratings or in government securities. Exposure to any one financial institution is restricted in accordance with NZ On Air's treasury policy.

Concentration of credit risk

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

Fair values

There were no differences between the fair value and carrying amounts of financial instruments as at 30 June 1999.

Credit facilities

As at 30 June 1999, NZ On Air had a credit facility of \$3 million. This facility has been used on rare occasions throughout the year.

Currency and interest rate risk

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

17 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 -

Remuneration	Number of Employees (Note (vii))
\$110,000 to \$120,000	1

Note (vii) Due to a change of employee in the Chief Executive position during 1998/99, neither of the Chief Executives employed this year received remuneration and other benefits in excess of \$100,000.

18 Related Party Transactions

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

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

19 Post Balance Date Events

There have been no material events subsequent to 30 June 1999.

Statement of Commitments & Contingent Liabilities

as at 30 June 1999

Statement of commitments

Lease commitments

- Less than 1 year
- 1 year to 2 years
- 2 years to 5 years

1999 (\$000)	1998 (\$000)
59	56
59	56
-	56
\$118	\$168

Commitments for programme and project funding for future years

- Less than 1 year
- 1 year to 2 years
- 2 years to 5 years

36,713	37,509
21,430	22,432
60	21,400
\$58,203	\$81,341

Statement of contingent liabilities

There were no contingent liabilities at year end.

Statement of Resources

for the year ended 30 June 1999

Personnel

Members of the Commission (part-time)
Staff (full-time equivalents)

1999	1998
6	6
11	11

Broadcasting Equipment

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

Statement of Objectives & Service Performance

for the year ended 30 June 1999

This statement reports on NZ On Air's performance in relation to the objectives and targets set in its Statement of Intent for the year ending 30 June 1999. Unless otherwise stated, the time of delivery of the service performance targets is for the year ended 30 June 1999.

1.0 Programme Funding

1.1 Television Programmes

Outcome That New Zealanders are able to see their own identity and culture represented on television.	Performance Targets - Quantity and Cost To allocate funding to specific genres as follows -				
	Programme Type	Budget 1998/99		Actual Performance	
Objective <i>To extend the range of New Zealand programmes on the television schedules so that New Zealanders have a wider range of programmes available to them than would be delivered solely by commercially-driven broadcasters.</i>		Funded Hours	Funding \$millions	Funded Hours	Funding \$millions
	Drama/Comedy	50	\$13.3	66	\$12.8
	Documentaries	112	\$10.0	104 (Note 1)	\$ 9.7
	Special interest programming for -				
	- Children/young people	388	\$ 8.8	367 (Note 1)	\$10.1
	- Arts and performance	103	\$ 3.3	116	\$ 3.5
	- People with disabilities (including Teletext) (Note 2)	20	\$ 2.3	20	\$ 2.3
	- Ethnic minorities	46	\$ 2.2	46	\$ 2.2
	- Other minorities	61	\$ 2.5	52 (Note 2)	\$ 1.9
	Development	-	\$ 0.3	-	\$ 0.3
	Total	780	\$42.7	771	\$42.8

Note 1 Target funded hours for documentaries, children/young people and other minorities were not achieved during the year due to a lack of suitable projects. As a result, funded hours in other genres have exceeded their respective performance targets.

Note 2 Annual funding for the Teletext service (\$1,335,439) is included as part of the funding. However, the total programme hours which have Teletext transcriptions are not included in the special interest hours.

Quality

The quality of NZ On Air's funding decisions is measured by a quality assurance process which -

- assesses, at year end, whether the planned diverse range of local programmes has been able to be provided.
- analyses audience viewing results from external surveys to assess whether expected viewing levels have been achieved.
- ensures decision making processes are robust so the risk of unsuccessful programmes is minimised. This includes –
 - assessment of the performance record of funding applicants;
 - obtaining specialist external assessment and advice on the quality of applications where appropriate; and
 - consulting the industry and audiences as appropriate.
- commissions research into particular audience preferences not readily available from existing survey information.
- negotiates with broadcasters to ensure programmes funded by NZ On Air are scheduled at times accessible to the intended audience.

Actual Performance

Achieved (as outlined in the table above).

Achieved. NZ On Air subscribes to AC Nielsen's peoplemeter daily survey.

Achieved. All successful applicants have had satisfactory production experience.

Achieved. This was achieved by obtaining external script assessments for drama/comedy applications, consulting with specialists when considering special interest and children's programmes, utilising a Maori advisor for the drama and documentary strands and consulting with Maori television programme-makers by holding a hui.

Achieved.

NZ On Air commenced research into what television programmes women watch. This research should be completed during 1999/2000.

Achieved.

1.2 Radio Services

National Radio & Concert FM

Outcome

That New Zealanders have access to quality, cost-effective public radio services which provide a diversity of programming reflecting New Zealand identity and culture.

Objective

- To secure a funding contract with Radio New Zealand to maintain its National Radio and Concert FM services in line with the Government's May 1998 directive so that the company can provide services required by NZ On Air in line with NZ On Air's responsibilities under the Broadcasting Act 1989.
- To ensure that the funding contract contains measures to ensure that the services are maintained efficiently and on a cost-effective basis.
- To ensure that the funding contract includes conditions that require that the services are maintained at such a level that the audiences consider that they are of a high quality and meet changing audience needs.

Performance Targets – Quantity

The contract between Radio New Zealand and NZ On Air requires National Radio and Concert FM to deliver specific broadcasting services which enable NZ On Air to meet its responsibilities under the Broadcasting Act.

They are –

Type of Programmes and Services	Performance Targets		Actual Performance	
	National Radio	Concert FM	National Radio	Concert FM
Total broadcast hours including -	8,760 hrs	8,760 hrs	8,760 hrs	8,760 hrs
- NZ content programmes which includes	6,500 hrs	-	7,770 hrs	-
- Maori language & culture	250 hrs	-	270 hrs	-
- Special interest	240 hrs	-	347 hrs	-
- NZ drama	100 hrs	-	131 hrs	-
% of NZ music on rotate (Note 1)	20%	-	26%	-
% of NZ music composition	-	2%	-	2%
% of NZ music performance	-	8%	-	12%
% of population able to receive transmission	97%	92%	97%	92%

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

Quality

Under the current service agreement, Radio New Zealand is required to provide audience research to establish National Radio and Concert FM listenership and to demonstrate that the National Radio and Concert FM services have been maintained at such a level that the audience continues to consider that they are of a high quality.

Actual Performance

Two rounds of radio audience surveys were carried out by Research International NZ Limited during the year. The first (in October 1998) covered 11 major metropolitan and provincial markets; the second (in April 1999) covered Auckland, Waikato, Manawatu, Wellington, Christchurch and Dunedin.

In the six markets that are common to the two surveys, National Radio's audience increased from 328,800 listeners (weekly cume) to 333,700 listeners (+1.5%). Concert FM's audience slipped a little – from 137,100 listeners (weekly cume) to 136,500 listeners (-0.4%).

In August 1998, the results of the latest CM Research survey of Fee-payers' attitudes were reported. The report confirmed that 79% of National Radio listeners and 76% of Concert FM's listeners believe that standards have remained constant or have improved.

Cost

National Radio	\$17,479,000	\$17,479,000
Concert FM	\$ 3,921,000	\$ 3,921,000
Total Cost of National Radio and Concert FM	\$21,400,000	\$21,400,000

Access/Pacific Island Radio

<p>Outcome That the interests of women, children, persons with disabilities, minorities in the community (including ethnic minorities) and non-profit community groups are adequately represented in radio broadcasting and that special interest audiences – including Pacific Island audiences – are catered for in areas of significant population.</p>	<p>Performance Targets – Quantity</p> <ul style="list-style-type: none"> To continue funding the existing 11 access radio stations which serve communities of 50,000+ population. To continue to fund the existing Pacific Island community radio services of Radio 531pi in Auckland and Samoan Capital Radio in Wellington. 	<p>Actual Performance</p> <p>Achieved. Funding has been provided to 11 access radio stations (Auckland, Hamilton, Hawkes Bay, Wairarapa, Kapiti Coast/Horowhenua, Manawatu, Wellington, Tasman Bays, Christchurch, Dunedin and Invercargill).</p> <p>Achieved. NZ On Air has continued to provide funding to Radio 531pi and Samoan Capital Radio.</p>
<p>Objective</p> <ul style="list-style-type: none"> To contribute to the costs of maintaining access radio services for a broad range of non-profit community groups including in particular those specified in Section 36(c) of the Broadcasting Act 1989. To contribute to the costs of maintaining Pacific Island community radio services in areas of greatest Pacific Island population. 	<p>Quality</p> <ul style="list-style-type: none"> To ensure that at least 60% of the programmes broadcast by funded access radio stations meet the needs of the groups specified in Section 36(c) of the Broadcasting Act. To ensure that Pacific Island radio services provide a range of programming suitable for Pacific Island audiences as determined through consultation. 	<p>The stations achieved an average of 69% for the year ended 30 June 1999.</p> <p>Achieved. NZ On Air held discussions with the Ministry of Pacific Island Affairs during the year about Pacific Island radio services.</p>
	<p>Location</p> <ul style="list-style-type: none"> NZ On Air's current access radio policy identifies areas of 50,000+ population as a priority. Funded access radio services are located in Auckland, Hamilton, the Hawkes Bay, Manawatu, the Wairarapa, the Kapiti Coast/Horowhenua, Wellington, Tasman Bays, Christchurch, Dunedin and Invercargill. To date, NZ On Air has responded to initiatives to establish Pacific Island radio services in areas of greatest Pacific Island population – Auckland and Wellington. In Wellington, the service is dedicated to the largest Pacific Island ethnic group in the area – the Samoan community which makes up about 70% of the Pacific Island population in Wellington. 	<p>Actual Performance</p> <p>Achieved.</p> <p>Achieved.</p>

Cost		
Access Radio	\$1,489,000	\$1,634,000 (Note 1)
Pacific Island Radio	\$ 275,000	\$ 275,000
Total Cost of Access/Pacific Island Radio	\$1,764,000	\$1,909,000 (Note 1)

Note 1 The funding for access radio has exceeded budget for the following reasons: (i) the inclusion of funding for Manawatu Access Radio; and (ii) extending the access radio consultancy for another year.

1.3 Maori Broadcasting

Outcome	Performance Targets – Quantity	Actual Performance
That Maori language and culture is promoted by providing funding for television and radio broadcasting.	<ul style="list-style-type: none"> To provide 14.4% of the Public Broadcasting Fee (after deducting collection costs) to Te Mangai Paho. (Note 1) 	In accordance with the new Ministerial directive issued in June 1999, \$12.4 million was paid to Te Mangai Paho during the year. The Ministry of Commerce is responsible for monitoring the activities of Te Mangai Paho.
Objective <ul style="list-style-type: none"> To comply with the direction from the Minister of Communications pursuant to Section 53L of the Broadcasting Act 1989 to transfer to Te Mangai Paho a proportion of 14.4% of the Public Broadcasting Fee (net of collection costs) to enable Te Mangai Paho to fund television and radio programmes and services intended for Maori audiences. To fund and promote programming intended for a general audience which provides for adequate representation of Maori and Maori interests. 	<ul style="list-style-type: none"> As a condition of funding, to require that approximately 15% of hours funded within a television "umbrella" funding arrangement involves substantial Maori creative participation on a topic of relevance to Maori language and culture. To fund other television programmes featuring Maori and Maori interests intended for a general audience as funds permit. To require children's programmes funded by NZ On Air to promote Maori language and culture as an essential aspect of the programme. To ensure that National Radio produces and broadcasts at least 250 hours a year of programmes about Maori and Maori interests. To ensure that approximately 15% of the music videos funded by NZ On Air during the year, 15% of the tracks on <i>Kiwi Hit Disc</i> and 15% of the tracks played on key syndicated radio shows like <i>Counting The Beat</i> are by Maori artists. To produce up to four volumes of the Maori language and kaupapa music disc, <i>Iwi Hit Disc</i>, for distribution to every radio station in the country. 	<p>Two documentary strands have received NZ On Air funding this year – TVNZ's <i>Documentary New Zealand</i> and TV3's <i>Inside New Zealand</i>. A target of 5 Maori documentary hours out of the total of 30 hours for each series has been agreed to by both TVNZ and TV3, and a Maori advisor has been appointed to the strands.</p> <p>In addition six authorial documentaries have been commissioned by NZ On Air. At least one of these documentaries will be a Maori project.</p> <p>Achieved. Television funding has been applied to <i>Maori Sports Awards</i>, <i>Mai Time</i> and <i>Tamatoa The Brave Warrior</i>.</p> <p>Maori language and culture is predominant in <i>Mai Time</i> and <i>Tamatoa The Brave Warrior</i>; regularly included in <i>You Et Me</i> and where appropriate in <i>What Now</i>, <i>The Dress Up Box</i>, <i>Bumble</i>, <i>Suzy's World</i> and <i>The Big Chair</i>.</p> <p>National Radio has continued with its programmes <i>Whenua</i>, <i>Mauri</i>, daily news in Maori and <i>Mana News</i> as well as featuring Maori music in the regular music playlist. During 1998/99, National Radio broadcast 270 hours of Maori programming.</p> <p>For the year ended 30 June 1999, 15 out of 96 (16%) funded music videos were performed by Maori artists, and 15 out of 78 (19%) tracks on <i>Kiwi Hit Disc</i> were performed by Maori artists, and 23% of the tracks played on key syndicated radio shows featured Maori artists.</p> <p>Two volumes of <i>Iwi Hit Disc</i> were produced and distributed to every radio station in the country and work started on <i>Iwi Hit Disc 3</i>.</p> <p>Regular discussions were held with TVNZ and TV3 during the year to ensure that the two documentary strands <i>Documentary New Zealand</i> and <i>Inside New Zealand</i> would include the targeted Maori input. Also during the year, NZ On Air held a hui in Auckland with Maori programme makers.</p> <p>Achieved. NZ On Air has received and reviewed quarterly reports from Radio New Zealand on what has been done to reflect Maori and Maori interests in programming.</p> <p>Achieved.</p>
	Quality Performance measures will be applied to ensure – <ul style="list-style-type: none"> Regular consultations are held with television broadcasters and Maori programme makers to discuss progress against targets. The contract with Radio New Zealand for the funding for National Radio includes an obligation to report at least quarterly on what has been done to reflect Maori and Maori interests in programming. NZ On Air consults regularly with Radio New Zealand management on what progress has been made to extend the audience for National Radio's Maori programmes via Maori radio. 	

Cost		
Estimated funding for Te Mangai Paho	\$12,400,000	\$12,400,000
Estimated funding for general mainstream programmes featuring Maori	\$ 3,000,000	\$ 2,595,000

Note 1 During June 1999, the Minister of Communications issued a new directive, pursuant to Section 53L of the Broadcasting Act. The new directive requires NZ On Air to transfer such proportion of the Public Broadcasting Fee income (net of collection costs) that equates to an amount of \$12.4 million to the Maori broadcasting funding agency Te Mangai Paho. As a result, NZ On Air has adhered to the new Ministerial directive.

1.4 New Zealand Music

Outcome

That there is more New Zealand music played on the radio and on television, especially on radio and television services that are popular with the youth audience.

Objective

- To increase the amount of New Zealand music played on both radio and television.
- To promote the broadcast of New Zealand music to provide for the interests of New Zealand youth.
- To review the effectiveness of NZ On Air's current strategies for promoting the airplay of New Zealand music.

Performance Targets - Quantity

- To encourage an increase in the level of New Zealand music content on the specialist music video shows on national television and on music television as measured by annual surveys of the play lists of national television music shows and the music channels.
- To ensure that there is at least one regular weekly New Zealand music show on each of the main metropolitan and provincial centre commercial radio stations and to ensure that there is a range of specialist New Zealand music shows on all six b.net radio stations.
- To encourage an increase in the level of New Zealand music content on commercial radio stations which play new music and are catering for or are successful with the youth audience as measured by the regular industry surveys conducted by APRA and monitored and published by the Kiwi Music Action Group (Kiwi MAG) in the radio industry trade journal, *Median Strip*.

Quality

- In order to maximise the chances that all funded music videos and tracks on NZ On Air hit discs will receive significant television and radio airplay, NZ On Air will consult selected television and radio programme directors before selecting projects that will be supported and will obtain from them an assessment of the airplay potential of the songs.
- In order to guarantee exposure for New Zealand music via networked and syndicated radio shows, NZ On Air will require the producers of such shows to produce written commitments to broadcast the shows from an acceptable number of radio stations throughout the country (usually not less than 20 stations) and will ask those stations to confirm the timeslots given to the shows.

Actual Performance

New Zealand music content on TV2's *Video Hits: New Releases* show was 12.96% in the year to 30 June 1999 (13.1% last year). On TV2's *Video Hits: Chart* show it was 12.24% (7.3% last year). New Zealand content on the *Juice* music channel on Sky averaged between 10% and 15% and on *Squeeze* on TV2, music content was 100%.

Achieved. *Counting The Beat* and *The Beat Files, Rock Your Radio, Kiwi Chart Breakdown* and *Keeping It Kiwi* are currently on air on metropolitan and provincial centre commercial radio stations. In addition, NZ On Air has provided funding for regular NZ music shows on all six b.net radio stations.

The percentage of New Zealand music content on Top 40, Rock and Progressive/Alternative format radio as at 30 June 1999 is given in the chart below. These 3 formats cover stations which play new music and target a youth audience.

Radio Format	As at 30 June 1998	As at 30 June 1999
Top 40	5.60%	8.61%
Rock	6.85%	10.53%
Prog/Alt	22.33%	24.33%

(Source: APRA/*Median Strip*)

Achieved.

Achieved.

Cost

New Zealand Music

\$2,000,000

\$1,975,000

2.0 Transmission Coverage

2.1 Television Transmission Coverage

Outcome	Performance Targets - Quantity and Location	Actual Performance
<p>That the maximum number of New Zealanders able to receive the national free-to-air channels TV One and TV2 is maintained.</p> <p>Objective</p> <ul style="list-style-type: none"> To subsidise TV One and TV2 where necessary to maintain transmission coverage to certain communities mainly in remote areas (approximately 14,000 households) which NZ On Air considers are not commercially viable and are unable to be delivered by a more cost-effective means. To investigate a more cost-effective television option for the Chatham Islands. 	<p>Performance Targets - Quantity and Location</p> <ul style="list-style-type: none"> If necessary, to subsidise the cost of transmission to those areas which are non-commercial in order to maintain TV One's coverage at 99.7% of the population. If necessary, to subsidise the cost of transmission to those areas which are non-commercial in order to maintain TV2's coverage at 99.5% of the population. If necessary, continue to subsidise the cost of providing New Zealand television services to the Chatham Islands. This subsidy will be reviewed during the year to consider the possibility of establishing a more cost-effective delivery system for the Chatham Islands' service. <p>Quality</p> <ul style="list-style-type: none"> Where NZ On Air subsidises transmission coverage, the broadcaster will make available to the agreed number of potential viewers in the coverage area a signal suitable to provide a received picture quality that conforms to the International Radio Consultative Committee recommended standard R500-4 of PQ3 or better. NZ On Air will obtain technical advice where necessary to validate any technical aspects of television transmission coverage funding applications. If necessary, NZ On Air will contract with the Chatham Islands Television & Radio Society to ensure that the Chatham Islands' television service broadcasts for at least 5 hours per day and that the programme mix provides an adequate variety of programmes. 	<p>A subsidy has been provided to TVNZ for the year ended 30 June 1999 to ensure that TV One's and TV2's coverage reached 99.7% and 99.5% of the population, respectively.</p> <p>A subsidy has been provided to The Chatham Islands Television & Radio Society to continue to provide a selection of New Zealand television by a combination of video and satellite to the Chatham Islands residents, for the year ending 30 June 1999.</p> <p>NZ On Air, in consultation with The Chatham Islands Television & Radio Society, and the local Islanders are currently exploring a more cost-effective way of providing the Chatham Islands with a television service. It is likely that a more cost-effective television service will be implemented during 1999/2000.</p> <p>TVNZ has provided transmission to the agreed number of potential viewers in subsidised coverage areas. The signal conformed to International Radio Consultative Committee recommended standard R500-4 of PQ3 or better.</p> <p>Independent technical expertise has been obtained where necessary in evaluating transmission coverage funding applications.</p> <p>The Chatham Islands Television & Radio Society has broadcast a variety of programmes for at least 5 hours a day.</p>
<p>Cost</p> <p>Television Transmission Coverage \$3,200,000 \$1,921,000 (Note 1)</p>		

Note 1 Funding for television transmission coverage is less than budget by \$1,279,000. This is a result of -

(i) TVNZ and NZ On Air agreeing not to go ahead with the planned replacement of capital transmission equipment during 1998/99; and

(ii) The self-help community extensions for TV3 and TVNZ did not proceed this financial year. Both broadcasters have been advised by NZ On Air that they have 2 years as from 1 July 1999 to complete these extensions, otherwise NZ On Air will withdraw its funding commitment for these community extensions.

2.2 Radio Transmission Coverage

Outcome	Performance Targets – Quantity and Location	Actual Performance
<p>That as many New Zealanders as possible are able to receive a community radio service and a National Radio service.</p> <p>Objective</p> <ul style="list-style-type: none"> To ensure every community of 1,000 people is served by a primary-strength community radio service signal. To encourage small and remote communities to use the National Radio Community Self-Help Scheme to obtain a National Radio service. Where feasible to find more cost-effective solutions for providing a community radio service into Te Kuiti, the Mackenzie Country and South Westland. 	<p>Performance Targets – Quantity and Location</p> <ul style="list-style-type: none"> To consider applications for funding to establish a community radio service in areas of 1,000+ people that are not served by a primary-strength community radio signal. In assessing applications for funding, NZ On Air will give priority to areas where there has never been a primary-strength community radio service established on a commercial basis. NZ On Air will investigate other more cost-effective options for providing a community radio service into Te Kuiti, the Mackenzie Country and South Westland and where necessary maintain community radio services in those areas to the extent that they are deemed non-commercial by NZ On Air. To provide Radio New Zealand with funding to meet the cost of providing the National Radio signal via satellite to community-owned and operated local National Radio relay facilities. To encourage Radio New Zealand to promote the National Radio Community Self-Help Scheme to interested communities throughout the year and to target the following areas in particular – Hanmer Springs/Waiarau, Ranfurly/Naseby, Ohakune, Raetihi, Ruatoria, Taihape and Turangi. <p>Quality</p> <ul style="list-style-type: none"> 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 will contract with the broadcasters to ensure that the community radio service broadcasts 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. 	<p>Achieved.</p> <p>Achieved. Cost-effective community radio services have been maintained in Te Kuiti, the Mackenzie Country and South Westland.</p> <p>Achieved. NZ On Air has agreed to meet the cost of providing a National Radio signal via satellite to community-owned and operated relays.</p> <p>Achieved.</p> <p>Actual Performance</p> <p>Achieved.</p> <p>Achieved.</p>

Cost		
Radio Transmission Coverage	\$300,000	\$147,000

3.0 Archiving

Outcome

That a representative range of New Zealand television and radio programmes that have potential to be of historical interest are archived.

Objective

To provide funding to The New Zealand Film Archive and Sound Archives Nga Taonga Korero to archive a wide range of New Zealand television and radio broadcasts and to maintain the collections in line with accepted archiving procedures, including public access to the collections.

Performance Targets – Quantity

To provide funding for core archiving services for a wide range of television and radio programmes which are likely to be of historical interest in New Zealand.

Service	Performance Targets		Actual Performance	
	Television	Radio	Television	Radio
Selection and acquisition of programmes to be archived	692 hrs	1,300 hrs	755 hrs	1,427 hrs
Preservation of programmes (Note 1)	180 hrs	1,200 hrs	70 hrs	1,103 hrs
Public access to the archived broadcast programmes	(Note 2)	(Note 2)	Achieved	Achieved

Note 1 The New Zealand Film Archive and Sound Archives Nga Taonga Korero have agreed to complete the outstanding preservation work noted above during 1999/2000.

Note 2 Public access to archive material held by either The New Zealand Film Archive or Sound Archives Nga Taonga Korero is available during these Archives' working hours.

Quality

- That all New Zealand-produced programming be considered for archiving so the final selection represents a range of broadcasts which have potential to be of future historical interest.
- To regularly monitor and review the services provided by the Archives to the specified standards of performance as outlined in their respective funding contracts.

Achieved. NZ On Air's funding agreements with both The New Zealand Film Archive and Sound Archives Nga Taonga Korero provide for all New Zealand-produced programming to be considered for archiving.

Achieved.

Cost

Archiving	\$958,000	\$958,000
-----------	-----------	-----------

4.0 Public Broadcasting Fee (PBF) Collection

Outcome

That the maximum level of compliance is achieved by enforcing the Broadcasting (Public Broadcasting Fees) Regulations and by increasing the understanding and support for the contribution that the Public Broadcasting Fee makes to the cultural well-being of New Zealand through the medium of broadcasting.

Objective

- To maintain the level of PBF compliance and to increase the net income from the PBF by increasing the level of billings as a result of population growth and decreasing collection costs.
- To maximise the level of timely payments of the PBF in order to reduce the level of debtors, and provide monies to fund NZ On Air's broadcasting obligations.

Description

Maximising net collections from collecting the PBF is essential to enable NZ On Air to carry out its functions and responsibilities pursuant to the Broadcasting Act 1989 and the Broadcasting (Public Broadcasting Fees) Regulations 1989. Costs appropriated for this activity provide for –

Collection

- The cost of the contract for managing the operation of the PBF Centre, including payment services, customer addressing, customer services, refunds, debt recovery, database and computer management, billing production and mail processing.
- Debt collection and collection agents.
- Banking, postal, counter collection agency, telephone, and legal.

Compliance

- Household audits, checking television sales and hiring company information, contacting potential Fee-payers by letter and telephone, and the purchase of information.

Advertising and Programme Promotion

- Advertising and programme promotion including Fee-payer newsletters to inform Fee-payers of the benefits of the PBF payment.

PBF Administration

- Management of the resources and outsourcing contracts for collection of the PBF.

Performance Targets		Actual Performance
Quantity The following targets are based on the 1996 Census data.		
PBF income (prior to deducting provision for doubtful debts of \$25,600,000) (Note 1)	\$97,679,000 (Note 2)	\$97,056,000
Collection costs expressed as a percentage of PBF income	11.6%	11.2%
Number of account billings	1,191,178	1,123,843
PBF income net of collection costs (prior to deducting the provision for doubtful debts of \$25,600,000) (Note 1)	\$86,337,000	\$86,150,000
Cashflow from the receipt of current billings and prior years' debtors prior to paying for collection costs	\$97,178,811 (Note 2)	\$93,445,000 (Note 3)

Cost		
Total Cost of PBF Collection	\$11,342,000	\$10,906,000

Note 1 The provision for doubtful debts of \$25,600,000 has been excluded from these calculations in order for actual performance to be accurately compared against the original performance target. The original performance target had not anticipated that the Public Broadcasting Fee would be phased out by 30 June 2000 and that as a result of this decision the provision for doubtful debts would need to be dramatically increased to \$25,600,000 during 1998/99.

Note 2 The performance target published in NZ On Air's 1998/99 Statement of Intent has been adjusted to include periodic Fee payments of \$1,679,000. Previously, periodic Fee payments were netted-off against the cost of PBF collection.

Note 3 NZ On Air experienced a reduction in cash receipts of \$3,734,000 during May and June 1999. This decrease is largely explained by the Government's decision to phase out the Public Broadcasting Fee by 30 June 2000.

Statement of Management Procedures

for the year ended 30 June 1999

Funding Allocation Process

Outcome	Management Procedures	Actual Performance
That NZ On Air operations are effective and efficient.		
Objective <i>To allocate income derived from the Public Broadcasting Fee for the purpose of providing broadcasting services to Government and the New Zealand public as required by the Broadcasting Act 1989 and directions issued by the Minister of Communications pursuant to Section 44 of the Act.</i>		
Description During the year, NZ On Air has continued to allocate funds derived from the Public Broadcasting Fee for the production of radio and television broadcasts and programmes which reflect New Zealand identity and culture, Maori broadcasting, for special interest audiences (Section 36(c) of the Act), New Zealand music, archiving broadcasts of historical interest, Teletext subtitles, and where necessary, ensure the availability of transmission to areas which would not otherwise receive a commercially viable signal.	<ol style="list-style-type: none"> To consult regularly with broadcasters, producers, special interest groups and other relevant parties as outlined in Section 37(a) of the Act and, where necessary, modify policies in relation to changes in the broadcasting environment. To commission specific research, where necessary, to – <ul style="list-style-type: none"> inform NZ On Air decision makers; and understand particular audience needs; and obtain information about Fee-payer preferences for NZ On Air services. All complete funding applications received by NZ On Air by its published deadlines will be considered by the Board within one month following the deadline. All funding decisions will be made by NZ On Air's Board in accordance with the provisions of the Broadcasting Act, any directions issued by the Minister of Communications and NZ On Air's current policies. To communicate NZ On Air funding decisions by letter to applicants as soon as practicable and by press releases where appropriate to the general public. To enter into funding contracts with service providers to obtain a range of broadcasting services. 	<p>Achieved.</p> <p>Refer Consultation and Accountability (below) for examples of specific research that has been undertaken this year.</p> <p>Achieved.</p> <p>Achieved.</p> <p>Achieved.</p>

The funding allocation process involves–

- determining priorities for allocating funds to meet audience needs in relation to NZ On Air's statutory responsibilities;
- making funding allocation decisions;
- contracting with broadcasting service providers; and
- monitoring contract compliance.

Broadcasting Services	Expected Number of Funding Contracts for 1998/99	Actual Number of Funding Contracts for 1998/99
Television	120	129
National Radio & Concert FM	1	1
Access/Pacific Island radio	14	14
Te Mangai Paho	1	1
Transmission coverage	6	6
New Zealand music	150	182
Archiving	2	2
Total	294	335

7	All funding contract requirements will be monitored and reviewed by NZ On Air on a regular basis from the time of signing the contract to service delivery.	Achieved.
8	NZ On Air will audit a random selection of funding recipients throughout 1998/99 to ensure that these service providers attain specified standards of performance and account for the use of the funds.	Achieved.

Consultation and Accountability

Objective	Management Procedures	Actual Performance
<ul style="list-style-type: none"> To operate an effective two-way communication process (including consultation, research and publications) with Government and the users of NZ On Air-funded services (NZ On Air's customers) and broadcasters, programme producers, transmission suppliers, archivists and other suppliers (NZ On Air's service providers); To assess the needs of customers by research and consultation; and To be accountable by informing customers and service providers of NZ On Air policies, requirements, decisions, and results. 	<p>Provide external information by -</p> <ul style="list-style-type: none"> 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. Publishing any new NZ On Air funding policies and guidelines within one month of adoption and to circulate them to all interested groups. Communicating NZ On Air funding decisions by letter to applicants and by press releases to the general public. Publishing NZ On Air's annual report within three months of the end of the financial year. <p>Providing quarterly reports to the Minister of Communications.</p> <p>Consult by -</p> <ul style="list-style-type: none"> Securing regular audience survey information for television and radio in order to measure audience response to NZ On Air-funded programmes. Survey information to include- <ul style="list-style-type: none"> Weekly TV programme ratings; and Metropolitan and provincial radio audience surveys. Where necessary, commissioning specific research to - <ul style="list-style-type: none"> assess audience needs and preferences; obtain information that will enhance NZ On Air's outcomes; and inform NZ On Air decision-makers and NZ On Air's stakeholders. <p>Monitoring the development of the broadcasting environment, and where necessary, modify policies to provide for any changes in the environment.</p>	<p>Achieved. The 1998/99 Statement of Intent has been tabled in Parliament and is available to the public.</p> <p>Achieved.</p> <p>Achieved.</p> <p>Achieved. The 1997/98 annual report was tabled in Parliament and is available to the public.</p> <p>Achieved.</p> <p>NZ On Air subscribes to the peoplemeter survey data prepared by AC Nielsen. This information is received daily by NZ On Air.</p> <p>NZ On Air receives radio surveys from Research International NZ Limited covering the metropolitan and main provincial areas.</p> <p>In August 1998, CM Research was commissioned to research public attitudes towards New Zealand content on television and radio and public perceptions of NZ On Air.</p> <p>NZ On Air commissioned research into the broadcasting policy environment in 10 selected countries.</p> <p>NZ On Air also commenced research into what television programmes women watch. This research should be completed during 1999/2000.</p> <p>NZ On Air has continued to monitor developments in the broadcasting environment, and where necessary, has modified policies to provide for changes in the broadcasting environment.</p>
<p>Description</p> <p>To successfully carry out its functions under the Broadcasting Act, NZ On Air conducts regular consultation and research to ensure that the programmes and services that it funds meet audience needs. NZ On Air also has reporting systems to provide full accountability to Government for the services it provides.</p>		
<p>Cost</p> <p>Administration (including funding allocation process, accountability and consultation)</p>	<p>\$1,674,000</p>	<p>\$1,646,000</p>



Report of the Audit Office

for the year ended 30 June 1999

To the Readers of the Financial Statements of NZ On Air for the year ended 30 June 1999

We have audited the financial statements on pages 11 to 33. The financial statements provide information about the past financial and service performance of NZ On Air and its financial position as at 30 June 1999. This information is stated in accordance with the accounting policies set out on page 12.

Responsibilities of the Board

The Public Finance Act 1989 requires the Board to prepare financial statements in accordance with generally accepted accounting practice which fairly reflect the financial position of NZ On Air as at 30 June 1999, the results of its operations and cash flows and the service performance achievements for the year ended 30 June 1999.

Auditor's Responsibility

Section 43(1) of the Public Finance Act 1989 requires the Audit Office to audit the financial statements presented by the Board. It is the responsibility of the Audit Office to express an independent opinion on the financial statements and report its opinion to you.

The Controller and Auditor-General has appointed John O'Connell, of Audit New Zealand, to undertake the audit.

Basis of Opinion

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

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

We conducted our audit in accordance with generally accepted auditing standards including the Auditing Standards issued by the Institute of Chartered Accountants of New Zealand. We planned and performed our audit so as to obtain all the information and explanations which we consider necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements, whether caused by fraud or error. In forming our opinion, we also evaluated the overall adequacy of the presentation of information in the financial statements.

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

Unqualified opinion

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

In our opinion the financial statements of the NZ On Air on pages 11 to 33 -

- comply with generally accepted accounting practice *and*
- fairly reflect -
 - the financial position as at 30 June 1999
 - the results of its operations and cash flows for the year ended on that date *and*
 - the service performance achievements in relation to the performance targets and other measures adopted for the year ended on that date.

Our audit was completed on 27 September 1999 and our unqualified opinion is expressed as at that date.

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

Historical Statistics

six year comparison

Public Broadcasting Fee (PBF) Statistics

	1999	1998	1997	1996	1995	1994
Total number of Fee-payers at year end	1,123,843	1,122,325	1,096,729	1,075,065	1,051,417	1,009,019
Total number of concessional Fee-payers at year end. Concessional rates apply to people who have reached the age of eligibility for receiving NZ superannuation who live alone	136,902	135,509	135,778	135,723	137,160	136,581
Standard annual PBF (excluding GST of \$12.22)	\$97.78	\$97.78	\$97.78	\$97.78	\$97.78	\$97.78
Concessional annual PBF (excluding GST of \$8.12)	\$64.88	\$64.88	\$64.88	\$64.88	\$64.88	\$64.88
Residential compliance level (based on 1991 Census data for years 1993-1997. From 1998 onwards, these figures are based on the 1996 Census data)	92%	93%	95%	94%	93%	90%

Television Production Funding Statistics

By Producer	- TVNZ	22%	23%	29%	39%	28%	36%
	- TV3	2%	2%	2%	3%	5%	4%
	- Independent Producers	76%	75%	69%	58%	67%	60%
		100%	100%	100%	100%	100%	100%
By Broadcaster	- TVNZ	83%	66%	78%	70%	60%	56%
	- TV3	17%	34%	22%	30%	40%	44%
		100%	100%	100%	100%	100%	100%
By Programme Type							
Hours funded -							
- Drama	66	60	62	77	218	229	
- Documentaries	104	119	99	103	169	200	
- Children and young persons	367	369	410	391	469	476	
- Special interest programmes	234	253	204	248	210	148	
- Maori programmes (Note 1)	-	-	-	-	-	116	
	771	801	775	819	1,066	1,169	

Radio Funding Statistics

	1999	1998	1997	1996	1995	1994
Number of Access stations (Note 2)	12	12	11	11	10	9
Number of Pacific Island stations	2	2	2	2	2	2
Number of Maori stations (Note 1)	-	-	-	-	24	22

Note 1 Now funded by Te Mangai Paho.

Note 2 Includes 11 Access radio stations and Print Disabled Radio which broadcasts from Levin.

Television Programmes

funded during the year ended 30 June 1999

Programme (Broadcaster)	Producer	Episodes & Duration	NZ On Air Funding	% of Total Cost
DRAMA/COMEDY				
Crooked Earth (TV3)	Communicado	1 x 2 hour	300,000	
Duggan: The Series* (TVNZ)	Gibson Group	11 x 1 hour	4,085,000	
Jackson's Wharf (TVNZ)	South Pacific Pictures	26 x 1 hour	1,600,000	
Lawless* (TVNZ)	South Pacific Pictures	1 x 2 hour	810,000	
Life & Times Of Te Tutu (TVNZ)	Pipi Productions	7 x 1/2 hour	1,019,100	
Market Forces II (TVNZ)	South Pacific Pictures	7 x 1/2 hour	943,000	
Pulp Comedy IV (TV3)	Phoenix Television	13 x 1/2 hour	258,275	
Street Legal Telefeature* (TVNZ)	ScreenWorks	1 x 2 hour	810,000	
Street Legal Episodes 1-6* (TVNZ)	ScreenWorks	6 x 1 hour	2,160,000	
Low Budget Features (TVNZ)				
Scarflies	Nightmare Productions	1 x 2 hour	400,000	
Skin & Bone	ScreenWorks	1 x 2 hour	400,000	
Total Drama/Comedy		66 1/2 hours	\$12,785,375	44%
DOCUMENTARY				
Coming Home (TVNZ)	Touchdown Productions	10 x 1 hour	999,152	
Country Calendar 1999 (TVNZ)	TVNZ	13 x 1/2 hour	260,000	
Dating Violence (TVNZ)	Gibson Group	1 x 1 hour	74,796	
Getting To Our Place (additional)* (TVNZ)	Gaylene Preston Productions		121,902	
Havoc & Newsboy's Sell-Out Tour (additional)* (TVNZ)	Communicado		24,000	
Kiwi Life (TVNZ)	Ninox Films	1 x 1 hour	90,000	
Numero Bruno (TVNZ)	La Hood Productions	1 x 2 hour	150,000	
Operation Donut (TVNZ)	Communicado	1 x 2 hour	143,555	
Popstars (TVNZ)	Essential Productions	9 x 1/2 hour	291,170	
Shipwreck (TVNZ)	Greenstone Pictures	7 x 1/2 hour	488,130	
Sweet As: Sweetwaters 1999 (TVNZ)	Point Of View Productions	1 x 1 hour	64,120	
Wild About New Zealand (TV3)	Red Sky Film & Television	13 x 1/2 hour	455,000	
Inside New Zealand VIII (TV3)				
Bastion Point: The Untold Story	Morrison Grieve	1 x 1 hour	99,965	
Birth Of A Used Car Salesman	Top Shelf Productions	1 x 1 hour	87,255	
Building Dreams	Morrison Grieve	1 x 1 hour	96,130	
Confetti & Schoolbags	MF Films	1 x 1 hour	87,141	
Cutting Edge	Communicado	1 x 1 hour	79,945	
Dog Squad	ScreenTime Productions	1 x 1 hour	80,145	
Every Parent's Nightmare	Future Productions	1 x 1 hour	89,467	
House Of Hope	Top Shelf Productions	1 x 1 hour	93,786	
It's Cool To Korero	Aratai Film & Television	1 x 1 hour	87,460	
Lange On ... The Immigration Explosion	Landmark Productions	1 x 1 hour	91,224	
Last Chance Kids	Frame Up Films	1 x 1 hour	95,000	
Late Arrivals	Flying Start Pictures	1 x 1 hour	88,461	
My Name Is Jane (additional)	Ultimate Productions		10,000	
One Stop Tourist Shop	Cinco Cine Film Productions	1 x 1 hour	93,598	
Nude Zealand	Ninox Films	1 x 1 hour	93,000	
On Stand By	Raconteur Productions	1 x 1 hour	91,970	
On The Street/The Trouble With Ben	Red Sky Productions	1 x 2 hour	119,179	
Probies	Front Of The Box Productions	1 x 1 hour	87,045	
Relative Guilt	S'Pacific Films	1 x 1 hour	89,275	
Return To Romania	ScreenTime Productions	1 x 1 1/2 hour	137,523	
Secrets Of The Car Thieves	Greenstone Pictures	1 x 1 hour	94,880	

* Funding also allocated in a previous financial year

Programme (Broadcaster)	Producer	Episodes & Duration	NZ On Air Funding	% of Total Cost
Six Days In A Leaky Boat	Frame Up Films	1 x 1 hour	87,000	
Staying True	Top Shelf Productions	1 x 1 hour	89,970	
Stock Take	RSVP Productions	3 x 1 hour	288,450	
Teen Summer: Whangamata	Mire Et Gimble	1 x 1 hour	25,000	
The Big OE	MF Films	1 x 1 hour	119,640	
The Business Of Shoplifting	Greenstone Productions	1 x 1 hour	93,000	
The Flutter	Frame Up Films	1 x 1 hour	90,000	
The School Ball	Top Shelf Productions	1 x 1 hour	93,000	
Unallocated funding as at 30 June			11,491	
Documentary New Zealand II (TVNZ)				
Age 14 In New Zealand	Three Islands Productions	1 x 1 hour	74,683	
Air Accident	Ninox Films	1 x 1 hour	95,000	
Beating The System	Tony Palmer Productions	1 x 1 hour	84,933	
C'mon – On The Road Again	Greenstone Pictures	1 x 1 hour	93,000	
Fallen Heroes	Greenstone Pictures	1 x 1 hour	92,500	
Hell For Leather	Top Shelf Productions	1 x 1 1/2 hour	97,338	
Hot Metal	Harker Lee Lewes Films	1 x 1 hour	75,510	
Isaiah's Fire	Greenstone Pictures	1 x 1 hour	92,046	
Jafas	Messenger Films	1 x 1 hour	90,000	
Kiri Maori	Te Reo Television	1 x 1 hour	79,695	
Making Ends Meet	Raconteur Productions	1 x 1 hour	72,680	
Odds Fellows	Frame Up Films	1 x 1 hour	86,150	
On The Road: South Island	Ninox Films	1 x 1 hour	98,195	
Racers	Ninox Films	1 x 1 1/2 hour	93,000	
Scarecrows	Greenstone Pictures	1 x 1 hour	92,878	
Sideline Parents	Ninox Films	1 x 1 hour	89,545	
Sinking Of The Mikhail Lermontov	Ninox Films	1 x 2 hour	156,500	
Sweet Dreams	Greenstone Pictures	1 x 1 hour	93,000	
Taken For A Ride	Red Sky Productions	1 x 1 hour	91,980	
The Complainers	Keirfilm Productions	1 x 1 hour	85,000	
The Gift Of Life	RSVP	1 x 1 hour	78,400	
The Great Kiwi Pub	Ninox Films	1 x 1 hour	85,561	
The Real New Zealand	Point Of View Productions	1 x 1 hour	89,735	
1981 - The Road To Healing	Frame Up Films	1 x 1 hour	90,000	
White Tribe Of New Zealand (development)	Bryan Bruce Productions		2,500	
Unallocated funding as at 30 June			610,171	
Authorial Documentaries (TVNZ)	Various	6 x 1 hour	900,000	
Total Documentary		104 hours	\$9,641,825	70%

Programme (Broadcaster)	Producer	Episodes & Duration	NZ On Air Funding	% of Total Cost
CHILDREN & YOUNG PERSONS				
Bumble (TVNZ)	Bumble Productions	130 x 1/2 hour	1,545,250	
Ice TV 1999 (TV4/TV3)	TV3	30 x 1 hour	1,000,000	
Mai Time (TVNZ)	TVNZ	36 x 1 hour	800,000	
Suzy's World (TV3)	Treehut Productions	65 x 10 min	600,825	
Squirt 1999 (TVNZ)	TaylorMade Productions	50 x 1/2 hour	1,100,000	
The Big Chair (TV3)	Raconteur Productions	13 x 5 min	165,283	
The Dress Up Box (TV3)	Papageno Productions	10 x 4 min	126,022	
What Now 1999 (TVNZ)	TVNZ	355 x 1/2 hour	3,850,000	
Wired (TVNZ)	TVNZ	26 x 1/2 hour	650,000	
Smokefree Stage Challenge 1999 (TVNZ)	TVNZ	2 x 1 hour	200,000	
Smokefree Rockquest 1999 (TVNZ)	ScreenTime NZ	1 x 1 hour	97,205	
Total Children & Young Persons		367 hours	\$10,134,585	79%
ARTS, CULTURE & PERFORMANCE				
Auckland Secondary Schools Cultural Festival (TVNZ)	Front Of The Box Productions	2 x 1 hour	90,000	
Backch@t 1999 (TVNZ)	Gibson Group	25 x 1 1/2 hour	1,120,634	
Battle Of The Ballroom (TVNZ)	Dexterity Productions	13 x 1/2 hour	325,000	
Big Comedy Gala (TV3)	Phoenix Television	1 x 1 hour	110,070	
Billy T Awards 1999 (TV3)	Phoenix Television	1 x 1 hour	115,500	
Bookenz (TVNZ)	Gibson Group	6 x 1/2 hour	111,366	
Havoc (TVNZ)	TVNZ	20 x 1/2 hour	400,000	
NZ Music Awards 1999 (TV3)	Livingstone Productions	1 x 1 1/2 hour	127,000	
Shortcuts (TV3)	Morrison Grieve	13 x 1/2 hour	90,445	
Squeeze 1999 (TVNZ)	Satellite Pictures	35 x 1 hour	300,000	
The Baby Proms (TV3)	Fitting Images	1 x 1 hour	117,100	
Wearable Art Awards 1998 (TV4/TV3)	Livingstone Productions	1 x 1 hour	120,000	
Young Entertainers (TVNZ)	Denis Spencer Productions	20 x 1/2 hour	500,000	
Total Arts, Culture & Performance		116 hours	\$3,527,115	71%
SPECIAL INTEREST				
Asia Dynamic 1999 (TVNZ)	Asia Vision	40 x 1/2 hour	998,380	
Praise Be 1999 (TVNZ)	TVNZ	48 x 1/2 hour	589,082	
Fish (TVNZ)	TVNZ	6 x 1/2 hour	135,592	
Inside Out 1999 (TVNZ)	Long White Cloud Television	40 x 1/2 hour	1,000,000	
Anzac Day Nat'l Wreathlaying Ceremony (TVNZ)	TVNZ	1 x 1 hour	27,471	
MDC Maori Sports Awards 1998 (TVNZ)	TVNZ	1 x 1 1/2 hour	46,325	
Young Farmer Of The Year 1999 (TVNZ)	Communicado	1 x 1 hour	84,763	
Tagata Pasifika 1999 (TVNZ)	TVNZ	52 x 1/2 hour	1,212,019	
Queer Nation III (TVNZ)	Livingstone Productions	20 x 1/2 hour	470,000	
Queer Nation IV (TVNZ)	Livingstone Productions	20 x 1/2 hour	378,842	
Hero Parade 1999 (TV3)	Livingstone Productions	1 x 1 1/2 hour	120,000	
Teletext 1999 (TVNZ, TV3)	TVNZ/Teletext		1,335,439	
Total Special Interest		117 1/2 hours	\$6,397,913	96%
DEVELOPMENT				
Hairy Maclary II			26,718	
In The Line Of Duty			20,000	
Life & Times Of Te Tutu			35,000	
Market Forces			30,000	
Our New Zealand			25,000	
Street Legal Episodes 7-13			56,875	
Topp Twins Series III			55,125	
Willy Nilly			25,000	
Total Development			\$273,718	

Radio Programmes & NZ Music Projects

funded during the year ended 30 June 1999

Radio Programmes: Youth

Programmes	Producer	NZ On Air Funding
Rampage/Te Puutake/ The Rampant Chat Room	Rampant Media	348,700
Total Radio Programmes: Youth		\$348,700

Radio Programmes: NZ Music

	Producer	NZ On Air Funding
95bFM (Auckland)		127,040
UFM (Hamilton)		51,840
Radio Massey (Palmerston North)		47,840
Active 89FM (Wellington)		60,800
98-RDU (Christchurch)		63,360
Radio One (Dunedin)		49,120
Counting The Beat & The Beat Files	Pagan Broadcasting	183,750
Kiwi Chart Breakdown	Media Music	110,000
Keeping It Kiwi	Adamson Productions	138,517
Rock Your Radio	Media Music	165,000
un-chart-ed	Base2	45,000
Total Radio Programmes: NZ Music		\$1,042,267

Music Videos

NZ On Air funding of \$5,000 each

Song	Artist	Song	Artist
Beth	Voom	One Night	Ermehn
Right Now	Bailter Space	Kronos	Pause
Love Is	Ma-V-Elle	Such The Spot	Breaks Co-operative
Superkool	Peter Stuyvesant Hit List	Reverse Resistance	King Kapis
One	Urban Pacifika	El True East	HDU
Hey Thank You	The Stereo Bus	Pretty	Cloudboy
Boy	Sina	Her Story	Paua Fritters
Departure Lounge	Splitter	She Came Along	Brett Sawyer
Bigger	Mary	Unlikely	NV
Don't Make Me Wait	NV	Melusine	Jan Hellriegel
Legal Sunscreen	The Criminal Lawyer	Pull The Strings	The Feelers
Home	3 The Hard Way	My Mind's Sedate	Shihad
Cold	Deep Obsession	Bullet In My Hand	Slim
Doin' It On My Shadow	Jody Lloyd & Duff	Where Have You Been	Weta
Oh Daisy	Zed	For Me	Tadpole
Comfortably Shagged	Head Like A Hole	Paul Weller	Leonard
Interconnector	Shihad	Sin Again	Fiona McDonald
Catch My Fall	Trip To The Moon	Emperor's New Clothes	Thorazine Shuffle
Without A Doubt	Che Fu	Prototype	Baitercell
Fragile	Tall Dwarfs	You're A Sun	Cabbage Bomber
Chicken Little	Headless Chickens	Angel	Mika
Comfort & Joy	Leza Corban	Pulled Along By Love	The Mutton Birds
Blindman's Bend	Dave Dobbyn	Part Of Me	Stellar
What You Do	Shihad	I Believe You Are A Star	Dimmer
Sorry	Bic Runga	Take A Little Piece	D-Faction
Silly Love Songs	Ardijah	I'm Cold	Zed
Venus	The Feelers	Something I Need	aka Brown
Juicy Lucy	Head Like A Hole	For The Love Of It	Salmonella Dub
Wait & See	Shihad	So Am I	Bailter Space
Big Cat	Bailter Space	Hot Sexy Lusty	Head Like A Hole
Dominos	Fur Patrol	Beautiful	Fur Patrol
Freeze Frame & Fade Out	Eye TV	Just The Way It Is	Eye TV
Ode To K' Road	Peter Stuyvesant Hit List	Freewheeling	Peter Stuyvesant Hit List
		Waka	Che Fu
		Angel	Ma-V-Elle
		Damage Control	Fiona McDonald
		Not Empty	Garageland
		When It Happens	Brett Sawyer
		Matt	Mary
		Strong Hot Summers	Strong Islanders
		Violent	Stellar
		Tonight	TrueBliss
		Take A Flight	Indigenous Funk Company
		Drifting	Salmonella Dub
		Maharajah	Head Like A Hole
		Let It Go	Weta
		Slather	Delta
		Sexual Healing	Trip To The Moon
		Birthday	The Stereo Bus
		Hibiscus Song	Greg Johnson
		Never Say Goodbye	Ma-V-Elle
		Breathe	Fiona McDonald
		Kiss It All Goodbye	Garageland
		Where Did Our Love Go	Sina
		Vision	Te Kupu
		How I Feel	Cabbage Bomber
		As Close As This	The Mutton Birds
		Scared Of Flying	Strawpeople
		Number One	TrueBliss
		Do To You	Ardijah
		Blue Lady	Nicolette
		The New Outlook	Dark Tower & Dave Dobbyn
		Daisy Mad Cow	She's Insane
		Total Music Videos	\$ 480,000

Radio Hits

NZ On Air funding of up to \$5,000 each

Song	Artist	Song	Artist
Love So Right	Ardijah	What You Do	Stellar
Wish It All Away	Eye TV	Comfortably Shagged	Head Like A Hole
Tears Were Blue	Bike	Interconnector	Shihad
Scene III	Che Fu	Freeze Frame & Fade Out	Eye TV
Blind	Tadpole	Wait & See	Shihad
Go	Debbie Harwood	Get To You	Breathe
Relax	Voom	One	Urban Pacifika
Waiting	Dave Dobbyn	Maharajah	Head Like A Hole
Space Cadet	The Feelers	Might As Well Get Used To It	Dead Flowers
Venus	The Feelers	Silly Love Songs	Ardijah
Purple	Breathe	Pull The Strings	The Feelers
Don't Be Shy	Sina	Part Of Me	Stellar
Wet Rubber	Head Like A Hole	Unlikely	NV
Out Of Space	Dead Flowers	Melusine	Jan Hellriegel
Hanging In The Wire	Dave Dobbyn	Sorry	Bic Runga
I Can Change	Trip To The Moon	Boy	Sina
Gluey Gluey	Tall Dwarfs	Sin Again	Fiona McDonald
Call Me	Eye TV	H-18	Hanger 18
Don't Be Late	Ermehn	Subcranium Feeling	King Kapis
Oh Daisy	Zed		
Without A Doubt	Che Fu		
		Total Radio Hits	\$ 199,004

Hit Discs

NZ On Air Funding

Indie Hit Disc	20,310
Kiwi Hit Disc	77,678
Iwi Hit Disc	6,810
A/C Hit Disc	30,000
Total Hit Discs	\$134,798

Music Promotions

NZ On Air Funding

Kiwi Hit Disc promotion	80,000
Median Strip NZ music supplements	28,800
Kiwi Music Action Group promotions	5,000
Double Digits plaques	5,000
Total Music Promotions	\$ 118,800

Directory

Members

David Beatson	of Auckland	Chairman
Roger Horrocks	of Auckland	Deputy Chairman
Pamela Meekings-Stewart	of Wellington	
Hekia Parata	of Ruatoria	
Louise Rosson	of Dunedin	
Trish Stevenson	of Wellington	

Staff

Jo Tyndall	Chief Executive
Neil Cairns	Television Manager
Selwyn Crane	General Manager, Revenue & Marketing
Brendan Smyth	Radio & New Zealand Music Manager
Elizabeth Morrison	Finance & Administration Manager
Justine Wilkinson	Manager, Project & Financial Analysis
Sally Courché	Manager, Television Contracts
Robyn Andrews	Personal Assistant
Anita Roberts	Personal Assistant
Teresa Tito	Personal Assistant
Trish Cross	Receptionist (Shared with Broadcasting Standards Authority)
Christine Westwood	Administration Assistant (Part-time)

Office

2nd Floor, Lotteries Commission Building

54-56 Cambridge Terrace

PO Box 9744

Wellington, New Zealand

Telephone: 04 382 9524

Facsimile: 04 382 9546

E-mail: info@nzonair.govt.nz

Internet: <http://www.nzonair.govt.nz>

NZ
ON
AIR

© 2008 NZ On Air