



TE MĀNGAI PĀHO – STATEMENT OF INTENT 2008 – 2013

TAUĀKĪ WHAKAMAUNGA ATU



Te Māngai Pāho

Statement of Intent 2008 – 2013

Presented to the House of Representatives

Pursuant to section 149 of the Crown Entities Act 2004

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Vision

Ahakoā kei whea,
Ahakoā āwheā,
Ahakoā pēwheā,
Kōrero Māori!

Māori language – everywhere, every day, in every way!

Mission

Tuhia te hā o Te Reo Māori ki te rangi,
e kaha ai te mapu o te manawa ora,
e rekareka ai te taringa whakarongo,
e waiwai ai, te karu mātakitaki.

Bringing the joy of Māori language to all listeners and viewers.

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Introduction on Behalf of the Board of Te Māngai Pāho

Whakamahia tō tātou reo hei reo māori mō ia rā, mō nāianei, mō āke tonu atu!

Tēnā koutou katoa

We are pleased to present Te Māngai Pāho's 2008–2013 Statement of Intent.

This document sets out our long term aspirations, our medium term outcomes and describes the wider environment in which Te Māngai Pāho operates. It sets out the strategies we have developed in response to this environment and how we plan to work towards our outcomes by setting out in broad terms our intended direction for the next five years.

It also details how Te Māngai Pāho will be accountable for the resources entrusted to it for its activities and statutory functions in the 2008/09 financial year.

Government continues to actively support the Māori broadcasting sector and the role that broadcasting has to play in the revitalisation of te reo Māori and Māori culture. Te Māngai Pāho plays a key role in delivering on this commitment.

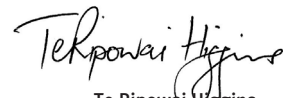
Te Māngai Pāho will continue to pursue the revitalisation of the Māori language through funding quality programmes and seeking optimal exposure of those programmes through multiple delivery channels.

Together with broadcasters, the production community, individuals and agencies working in the Māori language sector, Te Māngai Pāho looks forward to continuing support for the achievement of positive outcomes for the Māori language, Māori culture and Māori identity. In so doing, it will continue to meet the challenges of promoting the language and cultural values unique to New Zealand.

Heoi anō, nā



Jacqui Te Kani
Te Māngai Pāho Board Chair



Te Ripowai Higgins
Te Māngai Pāho Board

Chief Executive’s Overview

E te iwi tēnā anō tātou katoa!

“Live – Learn – Support”

Fifteen years ago, on 1 July 1993, legislation creating Te Reo Whakapuaki Irirangi Māori came into force. An amendment to the Broadcasting Act 1989 established a separate funding agency which became known as Te Māngai Pāho, set up to promote Māori language and culture through broadcasting.

There have been many changes in the broadcasting landscape over this time. There is now a strong network of iwi radio stations and a Māori television station, a thriving Māori production community, and more Māori language on the airways. There have also been positive shifts in New Zealand society’s attitudes to the Māori language and Māori culture.

Propelled by the spectre of the possible extinction of the Māori language all those years ago, there are tangible signs of the progress being made. And yet, in other ways, the risks to Māori language have also been accentuated with this passage of time. As the baton of language is passed from one generation to the next, we become more conscious of what has been lost and the implications of this loss.

It is in this context that we begin to appreciate the nature of the journey over the next twenty years towards the vision for the status of Māori language in 2028, as set out by the Māori Language Strategy. Achieving these goals presents a significant challenge for us and all the agencies working in the Māori language sector.

In this Statement of Intent, you will see that Te Māngai Pāho is careful to link its organisational goals with those of the Māori Language Strategy. The way in which we work to achieve our

goals requires ongoing monitoring and review to ensure that our interventions are having a positive effect. We need to continue to look for ways that we can work closer with related agencies and explore new opportunities to create synergies from effort. The accelerating pace of change in the distribution of audio visual content means that we must be ready to follow the uptake of change in our technical environment.

There are two recent changes in particular that we bring to your attention.

In March 2008, Parliament passed an amendment to the Broadcasting Act 1989 updating the powers of Te Māngai Pāho to reflect the changes in broadcasting technology and Māori broadcasting output since our originating legislation.

The amendment to the Act expands our ability to fund to a broader range of platforms in the new digital environment. It also provides for shared responsibility for archiving audio visual content.

Te Māngai Pāho acknowledges these new responsibilities. We will work with our stakeholders to determine how best to respond to an e-media world. We will work towards ensuring best practice standards of archive acquisition, deposit and access. As well, we are mindful of the aspirations, contribution and co-operation of whānau, hapū and iwi.

The challenge for Te Māngai Pāho going forward is to target our funding resources in a way which meets the viewing expectations of individuals across the whole continuum of Māori language interest

and participation, and to do so in a way which will best achieve the longer-term Māori language outcomes we seek and are tasked with achieving.

This includes providing an environment for *Fluent* speakers that helps them **live** the language in their everyday lives across all of the domains in which they are active. We want to provide *Second Language Learners* with the programming which supports them in their efforts to **learn** and extend their Māori language abilities, and we want our *Receptive Audiences* to have access to a mix of opportunities to **support** their interest and encourage and challenge them to pursue their own Māori language goals.

Accordingly our purchase decisions need to be guided with the needs of these various groups in mind.


In this Statement of Intent you will see that we have also revised our Purchase and Funding Framework in terms of the mix of resources to the three audience groups. The changes reflect the insights we have gained since the Framework was introduced two years ago. Following consultation, we have increased our emphasis on programmes with a higher Māori language content. We will however maintain a focus on our receptive audiences through the share of the contestable fund and also the wider accessibility of the high content programmes that

is achieved through subtitling. The changes demonstrate our focus in terms of the various programming and funding interventions we intend to pursue to ensure that our role in the revitalisation of te reo Māori continues to support our long-term vision of Māori language *everywhere, everyday, in every way* – Ahakoa kei whea ahakoa āwhea, ahakoa pēwhea, Kōrero Māori!

I trust that you find this Statement of Intent a useful document that demonstrates that our commitment will continue to be as it has always been, to the promotion of the Māori language and culture.

I would like to once again acknowledge and thank the members of the production community who convert our funding into value on air and on screen, and the many agencies and organisations that support our vision. I would also like to thank the Board for their advice and guidance and the staff for their ongoing support.

Nāku noa, nā



John Bishara
Chief Executive

Introduction

Purpose and Scope

Our Statement of Intent (SOI) sets out how we will contribute to the outcomes we pursue for the promotion of Māori language (te reo Māori) and Māori culture (tikanga Māori).

The SOI is made up of two main parts:

The first part describes our medium term direction indicating *what* we are looking to achieve over the next five years in terms of promoting Māori language and Māori culture, fostering the Māori television industry, iwi radio broadcasting and Māori music, and

strengthening national identity. It sets out *why* we wish to achieve these. This section also sets out our response to developing a Māori Language Strategy Implementation Plan required under the government's Māori Language Strategy, Te Rautaki Reo Māori.

The second part is specific to the 2008/09 year and includes the forecast financial statements, the Statement of Responsibility and the Statement of Output Objectives. These establish the overall performance and financial accountabilities of the Board and its agency, Te Māngai Pāho, for the coming year.

About Our Agency

Te Māngai Pāho was established in 1993 under the Broadcasting Amendment Act¹ giving life to the acknowledgement of successive governments that te reo Māori is a taonga (treasure) warranting its active protection and support. Our statutory functions were amended by the 2008 Broadcasting Amendment Act and now read as follows:

- (1) The primary function of [Te Māngai Pāho] is to promote Māori language and Māori culture by making funds available, on the terms and conditions, that it thinks fit, for –**
 - (a) broadcasting; and**
 - (b) producing programmes for broadcasting; and**
 - (c) archiving programmes.**
- (2) [Te Māngai Pāho] may also make funds available (on the terms and conditions that it thinks fit and, as far as practicable, in a manner consistent with its primary function) for –**
 - (a) transmitting on demand; and**
 - (b) producing content for transmitting on demand; and**
 - (c) archiving content [s.53 B]**

We are, first and foremost, a Māori language sector agency in terms of why we fund and secondly a broadcasting sector agency in terms of where and which industry we fund.

Our statutory obligations are primarily met by funding te reo Māori and tikanga Māori programmes and music for television and radio broadcast. To ensure that our actual broadcast outcomes are achieved, we currently:

- fund 21 recognised iwi radio stations to deliver eight hours of Māori language content each day;
- allocate funding directly to Māori Television for the production of in-house programmes and the acquisition of local and overseas programmes of interest to Māori audiences;
- manage a contestable pool of funding for the production of independently made Māori language programmes commissioned for television and radio, including music CDs and special broadcast events.

Agency Structure & Governance

Te Māngai Pāho is a Crown Entity funded by Parliament through Vote Māori Affairs and is accountable for its conduct and performance to the Minister of Māori Affairs.

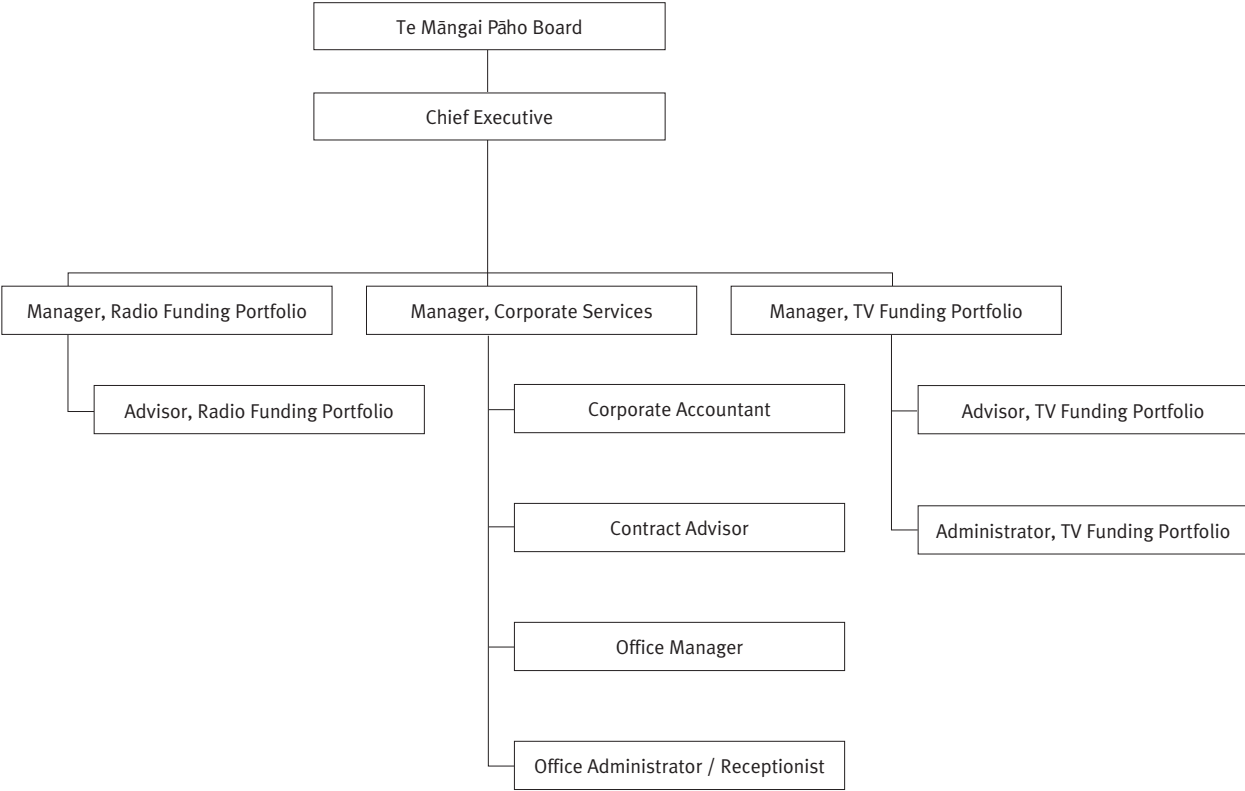
Te Māngai Pāho is governed by a Board appointed by the Minister of Māori Affairs. The Board's governance role is to:

- set the agency's goals and overall direction;
- make policies and decisions about its programme funds;
- ensure the agency has the personnel, systems and resources to carry out its role; and
- ensure the agency complies fully with its legal and other obligations.

The Board employs a Chief Executive and ten other staff to carry out Te Māngai Pāho's operations (see diagram 1 overleaf). The core work of the agency staff is to manage just over \$53 million (GST exclusive) in funding contracts between the agency and various programme makers and broadcasters.

¹ Te Māngai Pāho is today a statutory Crown Entity under the Crown Entities Act 2004.

Diagram 1: Our Organisational Chart



Our Key Stakeholders

Our key stakeholder groups are described below.

- **Ministers, particularly the Minister of Māori Affairs** who through his agent, Te Puni Kōkiri, has lead responsibility for the Māori Language Strategy, Māori language broadcasting policy and planning and assesses the performance of Crown entities funded through Vote Māori Affairs.
- **Māori Language Sector Agencies:** including Te Taura Whiri i te Reo Māori (the Māori Language Commission), Te Pouaka Whakaata Māori (Māori Television) and the Ministry of Education who all contribute to the government's Māori Language Strategy and goals to 2028.
- **Radio and Television Producers and Broadcasters:** including Māori radio stations, Māori Television, Television New Zealand and other broadcasters and independent producers of Māori radio and television programmes and music.
- **Māori Broadcasting Industry Groups:** principally Te Whakaruruhau o Ngā Reo Irirangi Māori (the iwi radio industry body) and Ngā Aho Whakaari (the association of independent Māori television producers) who promote the aspirations, needs and concerns of iwi broadcasters and Māori language programme makers.
- **Broadcasting Sector Agencies:** including NZ on Air, the Ministry for Culture and Heritage and public service broadcasters.

Our Operating Environment

In developing our strategic direction, we have considered, among other things, trends and developments in the Māori language sector and the broadcasting sector, government's wider strategic policy objectives, the aspirations of Māori and how all these shape the environment in which we operate.

Some of the major trends, developments and directions of this environment are outlined below:

Health of the Māori Language

In 2006 a nationwide survey (*Survey of the Health of the Māori Language, Te Puni Kōkiri 2007*) of almost 4,000 Māori adults aged 15 years and over found that:

- 14% of respondents could speak Māori in day-to-day conversations either 'well' or 'very well', while 47% of respondents could speak no more than a few words or phrases.
- 14% of respondents had taken part in formal Māori learning during the twelve months prior to the survey. 74% of these respondents also reported learning Māori in other ways during the year including 'listening/watching TV/ Māori TV/radio' (48%).
- 74% of respondents had access to a Māori radio station. Nearly 52% of these respondents listened to Māori radio.

- In the four weeks prior to the survey, 70% of respondents had watched a Māori language programme on mainstream television and 56% of respondents had watched Māori Television.
- 93% of respondents agreed that Māori television is important for preserving and fostering the Māori language and culture.
- 67% of respondents had use of a computer with internet access.

In short:

This survey found, as did the 2001 survey, that there is a core group of proficient speakers who are able to nurture the language; there is willingness by Māori to learn or improve their language skills; and there is considerable scope for Māori broadcasting to contribute to this revitalisation.

Attitudes toward the Māori Language

Te Puni Kōkiri has undertaken three *Surveys of Attitudes toward the Māori Language* in 2000, 2003 and 2006. The survey findings indicate that all New Zealanders are increasingly valuing the Māori language. In particular, the surveys results indicate that:

- there are increasingly high levels of positive attitudes toward the language amongst both Māori and non-Māori
- Māori and non-Māori are supportive of government-funded Māori language broadcasting

- support for the Māori language does not necessarily result in participation in language related activities.

The survey findings conclude that the challenge is to find ways to translate the positive attitudes Māori hold toward their language into actions that will contribute towards its continued revitalisation, while maintaining the positive attitudes toward the language that non-Māori hold.

Māori Programming Audience

The *Māori Programming Audience Survey Research Report* prepared for Te Māngai Pāho by TNS Conversa concluded, as did the first survey, that:

- Māori are very clear about the importance of the role Māori programming plays in improving their knowledge of Māori language and culture.
- Māori viewers are keen for more programming that shows culture, history and language and look to television as an important source of this information.
- Viewers seek out Māori Television as the preferred network for most Māori programming. There was unanimous support that Māori Television should be a permanent part of the New Zealand broadcasting environment.
- Programmes with English subtitles are the most effective and

preferred way to reach the widest audience groups due to low language fluency, and Māori language ability programmes promoting te reo Māori learning are likely to be well received due to a strong desire to improve language ability across all ages.

General Programming Audience

The *Public Information and Opinion Monitor 2007* undertaken for NZ on Air by TNS in June/July 2007 found that:

- Non-Māori (64%) and Māori (83%) think NZ on Air should fund children's programmes reflecting Māori language and culture for all children.
- Non-Māori (60%) and Māori (70%) think NZ on Air should fund Māori radio and television in English.
- Non-Māori (53%) and Māori (80%) think NZ on Air should fund Māori radio and television partly in Te Reo.
- Non-Māori (63%) and Māori (85%) think NZ on Air should fund documentaries made by Māori about Māori issues, but for general audiences.
- Non-Māori (28%) and Māori (75%) said that people in their household regularly listen to or watch Māori radio stations and TV programmes in English.
- Non-Māori (13%) and Māori (65%) said that people in their household regularly listen to or watch Māori radio stations and TV programmes in Te Reo.
- Māori are significantly more likely to watch and listen to a wide range of programme types, in particular Māori radio in both English and te reo, children's, comedy and special interest programmes, and NZ On Air funded music videos.

In short:

A good proportion of both Māori and Non-Māori support government funding for Māori language and cultural programmes. These

programmes are watched or listened to by primarily Māori viewers/listeners.

Māori Broadcasting Industry

- The iwi radio network has matured to become the predominant deliverer of te reo Māori programme hours for broadcast. Work is under way to upgrade existing stations' broadcasting environments. Any further extension of the iwi model remains constrained however.
- Māori Television has created unprecedented opportunities for te reo Māori and kaupapa Māori television programme makers, although the Māori television production sector is still in a development phase. Independent production is affected by the commissioning policies of Māori Television.
- There are currently insufficient numbers of Māori language speakers with technical, production and/or presentation skills to meet broadcasting industry demands.
- The industry is prone to rapidly changing technologies, increasingly sophisticated audience demands and limited scope for securing revenue outside of government.
- Māori programme makers and broadcasters have a passion and commitment to their craft, language and culture that contributes to the sustainability of the industry, despite difficulties presented by some of the above factors.
- There is optimism within the industry that a real niche exists in the global market for indigenous stories and storytelling.

Public Broadcasting

In February 2005, government released "*Building a Strong and Sustainable Public Broadcasting Environment for New Zealand – A Programme of Action*", outlining the single vision at the heart of the government's broadcasting policy:

New Zealand Broadcasting – a shared space, informing and enriching a changing society.

The Programme for Action highlighted that:

- The impact of globalisation is felt, seen and heard most graphically in broadcasting. Global media ownership and new digital technologies can reduce the viability and specific local focus of New Zealand programming unless we actively preserve and develop the capacity to reflect ourselves.
- The New Zealand broadcasting environment is predominantly commercial, with a high dependence on advertising revenue. Such dependence on generating commercial revenue influences broadcaster behaviour, in that the needs of viewers as consumers are given greater emphasis than those of viewers as citizens.
- Internationally, New Zealand is radically light-handed in its regulatory policy for broadcasting. The government currently has limited options for promoting commonly accepted principles and standards for public broadcasting, or for securing desired forms of content from the broadcasting sector as a whole.
- Pay television is growing rapidly and now has a base in approximately 40 percent of New Zealand households. Its multi-channel, digital services and content selection (dominated by commercial, global-sourced programmes) are currently leading viewer expectations about programming choice. Pay television now adds valuably to the choice enjoyed by viewers. Nevertheless, the principle of universal access to a comprehensive service is central to the concept of public broadcasting. To make this a reality in the digital age, the government needs to ensure that its public broadcasters develop digital and other services.
- New Zealand has developed a great number of commercial radio stations, but, arguably, without comparable diversity in content, formats, or local character. If the government wishes to encourage universal access to information and entertainment through radio, further policies will be needed to support diversity of content and regional variety.

Broadcasting Industry

Within New Zealand and globally, the broadcasting industry is on the threshold of major change. Free to air digital transmission, along with the proposed closedown of analogue broadcast transmission sometime after 2012 in New Zealand and possible changes to how production related intellectual property rights are held, means that television as we know it will cease to exist.

Already technological developments mean that broadcasting is being replaced by narrowcasting with individuals increasingly able to choose both what they consume and when they consume it. These developments support today's cash rich, time poor society where people seek to interact with media and seek products and services to come to them when and where they want them.

These developments mean that programme producers of the future need to create products that can be distributed via a wide range of media eg. television, radio, interactive TV, mobile phones, PDA's and the internet.

Music Industry

The face of the music industry is being changed by online music download sites. The 'single' is being rejuvenated by the sale of mobile phone ring tones and ring tones. While growth in broadband and MP3 transfer continues to increase digital activity in the music purchase world.

To succeed in the future the music industry will need to provide a high quality product and an easy access on-line bank in which to store it.

Government Priorities

Government continues to promote three key themes: strengthening national identity; families – young and old; and economic transformation. These priorities reflect the future intentions of Government and highlight the importance that Government places

on Māori participation and success as part of an overarching goal of achieving sustainable development for New Zealand².

Te Rautaki Reo Māori – The Māori Language Strategy

In 2003, in consultation with Māori, government developed *Te Rautaki Reo Māori – The Māori Language Strategy*³ the vision for which is:

***He Reo e Kōrerotia ana, He Reo ka ora
A spoken language is a living language***

By 2028, the Māori language will be widely spoken by Māori. In particular, the Māori language will be in common use within Māori whānau, homes and communities. All New Zealanders will appreciate the value of the Māori language to New Zealand society.

Within the Māori Language Strategy, there are five interrelated goals that support the achievement of the vision.

Goal 1 Strengthening Māori Language Skills

Goal 2 Strengthening Language Use

Goal 3 Strengthening Education Opportunities

Goal 4 Strengthening Community Leadership

Goal 5 Strengthening Recognition of the Māori Language.

Te Ao Pāpāho Māori – Māori broadcasting and e-media

In 2007 *Te Ao Pāpāho Māori – Māori broadcasting and e-media*⁴ was released, providing the framework where efforts and investments should be focused within the context of the changing digital environment.

The framework sets out three high level outcomes whereby Māori broadcasting and e-media:

- contributes to an increase in language proficiency and/or use, particularly in the home
- supports participation in the ICT industries and contributes to growing innovative and entrepreneurial communities
- contributes to the Māori language and culture being valued as an integral part of New Zealand's national identity.

The high-level outcomes are supported by three intermediate outcomes:

- **Access** – Māori language and culture can be accessed through a range of modern media
- **Quality** – Māori broadcasting and e-media are of sufficiently high quality to attract and retain audiences
- **Focus** – Māori broadcasting and e-media has an ongoing focus on Māori language and Māori culture.

Māori

Hui Taumata 2005 recognised that the 'Māori-ness' or cultural dimensions of Māori is as important as developing the wealth and health of Māori.

In particular, it acknowledged that:

- for any society, knowledge is power, and that revitalisation of identity, language and culture was a strong platform for future building;
- a strong Māori cultural base was an asset in improving outcomes for rangatahi, and that an increased sense of collective responsibility as well as increased investment in effective systems was urgently called for.

The Wider Environment

- Government-funded Māori initiatives continue to attract intensive political, media and mainstream scrutiny, particularly if projects fail. Despite this, there is broad acceptance that Māori language and Māori culture are integral to New Zealand's national heritage and identity.
- There are renewed calls to re-instil the spirit of *public service* in Public Service Broadcasting, an ethos wholly consistent with Māori language broadcasting.

³ Te Puni Kōkiri & Te Taura whiri i te Reo Māori 2003, *Te Rautaki Reo Māori – The Māori Language Strategy*.

⁴ Te Puni Kōkiri October 2007, *Te Ao Pāpāho Māori Broadcasting and e-media*.

² Te Puni Kōkiri Pānui Whāinga 2008/09, *Statement of Intent 2008/09*.

How We Will Respond to Our Operating Environment

Māori Language and Education

We will respond to the needs of Māori language speakers and learners who have various levels of expertise by funding a range of programmes in the appropriate genre targeted at a range of relevant age groups.

Māori Broadcasting Industry

We will continue to promote strengthening of the Māori broadcasting industry by facilitating training and infrastructure maintenance programmes that enhance industry capability and encouraging industry to use best practice approaches throughout their business.

The Broadcasting Sector

We will maintain our awareness of industry developments and issues through our involvement with industry groups and other mainstream sector groups whose activities impact on the Māori broadcasting industry.

Government

We will work with the Minister of Māori Affairs and relevant government agencies and entities to ensure that together our efforts are

co-ordinated and aligned with government's key themes, broadcasting policy, the Māori Language Strategy and the Māori broadcasting and e-media framework.

Māori

We will:

- work with iwi organisations as the governors of iwi radio stations and the kaitiaki of language and broadcasting assets in their rohe, in particular to maintain the quality of language being broadcast.
- take into consideration the diversity of Māori audiences in terms of language skills, programming preferences, age and gender when making programme and broadcast funding decisions for radio and television.

Wider Environment

We will continue to promote accountability, transparency and quality in all areas of our business.

Outcomes We Will Pursue

Major Outcome

Te Māngai Pāho contributes directly and meaningfully to the revitalisation of te reo Māori (the Māori language) and tikanga Māori (Māori culture) among whānau, hapū, iwi and all New Zealanders. Accordingly, the Major Outcome we seek is:

*Kia whānui te kōrero Māori me ōna tikanga
Kia whānui te mārāma i te Māoritanga ki te motu.
Normalisation of Māori language and
greater awareness of Māori values, practices and
views within Aotearoa.*

This outcome aligns with government’s strategic policy goals and Māori aspirations for te reo Māori. For the Outcome to be achieved:

- A focus on restoring Māori language among Māori people must be a “first principle” to ensure the sustainable and proper guardianship of te reo Māori
- The key platforms for Māori language broadcasting to Māori, namely the iwi radio network and Māori Television, must deliver quality Māori language outcomes appropriate to the needs of their audiences
- The appropriate level of support must be provided by other national broadcasters for Māori language and cultural content

within their programme schedules in order that te reo Māori and tikanga Māori programmes are accessible to wider audiences

- The Māori independent production industry must also be supported in order that the demand for Māori programmes be adequately met and the programmes must be vibrant, diverse and of high quality.

These requirements are reflected in the Intermediate Outcomes that we will pursue and to which we will contribute. The Intermediate Outcomes are critical because they drive our short to medium-term funding policy, management and operational decisions.

Intermediate Outcomes

The Intermediate Outcomes to which Te Māngai Pāho contributes are:

- Whānau, hapū, iwi, and Māori communities, maintain and strengthen their te reo Māori and tikanga Māori.
- New Zealanders experience te reo Māori and tikanga Māori.
- Learners of all ages and abilities are supported in their Māori language education, use and retention

We will contribute to the Intermediate Outcomes through the four strategies detailed in the following pages.

Our Outcome Framework

Vision	<i>Ahakoā kei whea, Ahakoā āwheā, Ahakoā pēwheā, Kōrero Māori!</i> <i>Māori language – everywhere, every day, in every way!</i>			
Key Government Goals	<i>National Identity;</i> <i>Families Young and Old; and</i> <i>Economic Transformation.</i>			
Major Outcome	Kia tū noa te reo Māori, kia piki te arokā mō ngā uara, ngā tikanga me ngā whakaaro Māori, i roto o Aotearoa. Normalisation of Māori language and greater awareness of Māori values, practices and views within Aotearoa.			
Intermediate Outcomes	Whānau, hapū, iwi, and Māori communities, maintain and strengthen their te reo Māori and tikanga Māori	Learners of all ages and abilities are supported in their Māori language education, use and retention	New Zealanders experience te reo Māori and tikanga Māori	
Te Māngai Pāho Strategies	Investment in the protection, promotion and development of te reo Māori and tikanga Māori	Investment in the promotion of a positive awareness of current issues that are important for Māori	Ensure that the programmes in which we invest are responsive to, and can reach, a large and diverse New Zealand audience	Support for initiatives and programmes that encourage New Zealanders to value, or at least, understand the value of te reo Māori and tikanga Māori
Te Māngai Pāho Outputs	Direct funding of Māori Television Contestable Television Programme Funding Television Industry Co-ordination and Development	Operational Funding for Iwi Radio Contestable Radio Programme and Music Funding Radio Distribution System and Coverage Extension Capacity Building and Industry Co-ordination	Strategic, cost effective and transparent Administration of Broadcasting Funding	
Te Māngai Pāho Capability Initiatives	Establish clear Purchasing, Management and Operational Policies for public and internal purposes Establish a practical, cost effective evaluation tool Implement strategies to consolidate and enhance the expertise and people resources available to carry out all aspects of our business.			

Our Strategies

Investment in the protection, promotion and development of te reo Māori and tikanga Māori

What We Will Do

We will work together with iwi radio, to promote and celebrate hapū and iwi identity at a local level, and with Māori Television to engage audiences at a national level on matters and issues important to Māori. In both contexts, we will endeavour to ensure that programmes:

- Comprise a substantive measure of quality te reo Māori and/or convey relevant aspects of tikanga Māori
- Are produced and broadcast in a manner that informs, entertains and educates people of all ages and abilities, across a diverse group of domains.

Why We Will Do It

Cultural activities play a central role in supporting a sense of national identity. This enhances the well-being of individuals, families and communities⁵. Government recognises that the Māori language is a taonga guaranteed to Māori by the Treaty of Waitangi and is committed to supporting the revitalisation of the Māori language.⁶ It also appreciates that whānau, hapū, iwi, and Māori communities play an important role in the long term sustenance, ownership and use of te reo Māori and tikanga Māori.

One way to strengthen te reo Māori and tikanga Māori is by enabling it to be seen and heard in more homes and places in New Zealand. Radio and television broadcasting, and increasingly the internet, provide cost effective ways to taking te reo Māori and tikanga Māori to all New Zealanders.

As a result, Te Māngai Pāho is tasked with contributing directly and meaningfully to the revitalisation of te reo Māori and tikanga Māori among whānau, hapū, iwi and other New Zealanders through the funding of broadcasting and the production of programmes to be broadcast.

Contribution

This strategy contributes to all three of our intermediate outcomes and is directly linked to:

- Goal 1, *Strengthening Language Skills*; Goal 2, *Strengthening Language Use*; and Goal 4, *Strengthening Community Leadership of Te Rautaki Reo Māori – The Māori Language Strategy*
- the high level outcome that Māori broadcasting and e-media contributes to an increase in language proficiency and/or use, particularly in the home; and the three intermediate outcomes in the Māori broadcasting and e-media outcomes framework ie. Māori language and culture can be accessed through a range of modern media, Māori broadcasting and e-media has an ongoing focus on Māori language and Māori culture, and Māori broadcasting and e-media are of sufficiently high quality to attract and retain audiences.

How We Will Do It

We will support the aims of iwi radio and ensure sufficient targeted resourcing for Māori Television to achieve a sustainable and attractive programme schedule for their audiences. In carrying out this role, we will give particular focus to programmes and broadcasts that support the efforts of learners of the language, including students enrolled in Māori language education.

Over the next five years we will ensure that:

- we fund quality te reo Māori and tikanga Māori programmes, to be broadcast on television and radio, that meet the criteria set out in our Funding Framework
- we purchase core operational production and broadcast capability and te reo Māori content from iwi radio stations and purchase national programmes to be broadcast on iwi radio and on the internet
- audiences continue to have access to original, informative and entertaining programming that are appropriate to their age, interests and Māori language abilities.

⁵ Te Manatū Taonga Ministry for Culture and Heritage Statement of Intent 2008 – 2013

⁶ Te Puni Kōkiri & Te Taura whiri i te Reo Māori 2003, Te Rautaki Reo Māori – The Māori Language Strategy.

Investment in the promotion of a positive awareness of current issues that are important for Māori

What We Will Do

We will facilitate the development of television and radio programmes that provide Māori perspectives on, and insights into, current affairs and topical issues. These may take the form of documentaries or news and current affairs programmes which are relevant for target audiences across the language learning continuum.

Why We Will Do It

New Zealand is increasingly multi-cultural. In order to live and work together in harmony it is important that all groups within New Zealand understand and appreciate the perspectives of others. One way to increase New Zealanders understanding and appreciation of Māori viewpoints is to provide programmes that explore and explain Māori perspectives and insights. Such programmes have the added benefit of developing stronger Māori to Māori connections.

Contribution

This strategy contributes to all three of our intermediate outcomes and is directly linked to the high level outcome, Māori broadcasting and e-media contributes to the Māori language and culture being valued as an integral part of New Zealand's national identity. It also contributes to all three of the intermediate outcomes in the Māori broadcasting and e-media outcomes framework ie. Māori language and culture can be accessed through a range of modern media, Māori broadcasting and e-media has an ongoing focus on Māori

language and Māori culture, and Māori broadcasting and e-media are of sufficiently high quality to attract and retain audiences.

How We Will Do It

We will promote awareness of current Māori issues by funding documentaries, debates, news and current affairs programmes that traverse current issues, diverse Māori view points and historical contexts and present them using different levels of Māori language content depending on the fluency level of the target audience.

Over the next five years we will ensure that:

- we fund quality news, current affairs and documentary programmes for television and radio which reflect Māori perspectives and insights and are presented using varying degrees of Māori language content depending on the target audience
- our annual purchase priorities provide for coverage of significant events important to Māori and of interest to all New Zealanders, including:
 - Waitangi Day
 - Matariki celebrations
 - National Māori sporting fixtures
 - National Māori cultural festivals and events
 - National Māori language events and competitions

Ensure that the programmes in which we invest are responsive to, and can reach, a large and diverse New Zealand audience.

What We Will Do

We will play a pivotal role in supporting windows of opportunity for Māori and for all New Zealanders to access quality te reo Māori and tikanga Māori programmes in their own homes.

Why We Will Do It

Te reo Māori and tikanga Māori can enrich our identity, society and culture. For this to occur, all New Zealanders must have opportunities to experience te reo Māori and tikanga Māori. They must also have access to Māori programmes and programme choices that are of an international standard.

Contribution

This strategy contributes to all three of our intermediate outcomes and is directly linked to:

- Goal 1, *Strengthening Language Skills*, and Goal 5, *Strengthening Recognition of the Māori Language*, of *Te Rautaki Reo Māori – The Māori Language Strategy*
- the high-level outcome in the Māori Broadcasting and e-media Outcomes Framework - *supports participation in the ICT industries and contributes to growing innovative and entrepreneurial communities*; and all three intermediate outcomes in the Māori Broadcasting and e-media Outcomes Framework ie.
 - Māori language and culture content must *be readily accessed through a range of modern media (Access)*;
 - Māori broadcasting and e-media has *an ongoing focus on Māori language and Māori culture (Focus)*, and
 - Māori broadcasting and e-media are of sufficiently *high quality to attract and retain audiences (Quality)*.

How We Will Do It

We will, within our statutory function, support the Māori programming efforts of iwi broadcasters, Māori and mainstream national broadcasters so that New Zealanders can enjoy universal access to quality Māori programming. We will also continue to support the development and consolidation of the Māori screen production industry to ensure the ongoing provision of such programmes.

Over the next five years we will ensure that we:

- work actively with the iwi radio and Māori television industries to help address skill and infrastructure gaps in areas critical to the production and effective broadcast of quality Māori programmes to a wide New Zealand audience.
- establish and/or support mechanisms for managing and ensuring the quality of Māori language programme content in its funded productions.
- recognise and support meritorious productions which may be initially destined for mainstream national television.
- maximise the accessibility and utilisation of programmes in which we have invested by maintaining an up-to-date catalogue of available resources and ensuring our investment approach encourages, and allows for, the re-use of quality Māori programming.
- stay abreast of technological developments within the industry and factoring them into our investment decision-making.
- enhance our methods of investigation and research about the appeal, accessibility and reach of Māori programmes to all New Zealanders and how this can be improved over time.

Support for initiatives and programmes that encourage New Zealanders to value, or at least understand the value of te reo Māori and tikanga Māori.

What We Will Do

We will facilitate the production of television and radio programmes that attract as wide an audience as possible and present interesting and entertaining material that incorporates a Māori perspective or view on matters and issues to which the majority of New Zealanders can relate. These programmes will cater for various levels of familiarity or fluency with te reo Māori. Through our funding priorities and decisions we will encourage programme makers and broadcasters to take this approach with as many genre as possible, including documentaries, news, current affairs, drama and children's programmes.

We will also work collaboratively with other agencies and entities in the sector to develop a shared understanding of the value of, and approach to, the promotion of te reo Māori and tikanga Māori to all New Zealanders.

Why We Will Do It

Some Māori and non-Māori already value Māori language and culture as part of New Zealand's heritage. For New Zealand to maximise the benefits that Māori language and Māori culture can make nationally and internationally as our nation's point of difference, there is a need for more New Zealanders to make an attitudinal shift toward accepting and supporting bi-culturalism. The first step toward such acceptance and support is an increased understanding of the value of te reo Māori and tikanga Māori.

Contribution

This strategy contributes to all three intermediate outcomes and is directly linked to:

- Goal 5, *Strengthening Recognition of the Māori Language, of Te Rautaki Reo Māori – The Māori Language Strategy*
- the high level outcome in the Māori Broadcasting and e-media Outcomes Framework: – *contributes to the Māori language and culture being valued as an integral part of New Zealand's national identity* and the intermediate outcomes in the Māori

Broadcasting and e-media Outcomes Framework ie.

- Māori language and culture content must *be readily accessed through a range of modern media (Access)*; and
- Māori broadcasting and e-media are of sufficient *high quality to attract and retain audiences (Quality)*.

How We Will Do It

We will fund programmes that promote, explain and/or raise awareness and appreciation of the benefits that New Zealand as a whole gains from te reo Māori and tikanga Māori.

Over the next five years we will ensure that:

- our annual purchase priorities include programmes that promote the value of te reo Māori and tikanga Māori
- we work in a co-ordinated way with NZ on Air in terms of programme purchasing. In particular, we will look to ensure that our purchasing policies are aligned and complementary.
- we work closely with Māori Television who have a specific long-term objective to “*Significantly contribute to te reo and tikanga Māori being increasingly valued and embraced*”. In particular, we will support the production of in-house television programmes by Māori Television, such as news, sport, current affairs and light entertainment. We will also support the direct acquisition by Māori Television of local and overseas programming and, where appropriate, the re-versioning or sub-titling of those programmes into te reo Māori.
- we strengthen our relationships with other agencies, entities and groups working in the sector including Te Puni Kōkiri, Te Taura Whiri i te Reo Māori (Māori Language Commission), the Ministry of Education, the Ministry for Culture and Heritage and the Screen Co-ordination Group.
- we are responsive to information provided by our industry advisory groups eg. the Television Industry Advisory Group and the Radio Review Team.

Measuring Our Performance

Outcome Measures

We have worked with entities that share a direct stake in achieving Māori language outcomes, particularly Te Puni Kōkiri, Te Taura Whiri i te Reo Māori and Māori Television to identify the scope for collaboration and rationalisation of effort around outcome measurement and evaluation.

We continue to utilise longitudinal nationwide Māori language surveys such as the *Survey of the Health of the Māori Language and the Survey of the Attitudes, Values and Beliefs towards the Māori Language* to tell us how the Māori language environment that we are working in is changing. Through our relationship with Te Puni Kōkiri, Māori Television and Te Taura Whiri i te Reo Māori, we have had the opportunity to contribute to the development of these two national Māori Language Surveys which will assist us all

to measure progress towards our respective and complementary Māori language outcomes.

During 2007/08 we have been developing and confirming an evaluation approach. In 2008/09 we plan to build that approach into an evaluation tool that will allow us to undertake practical, cost effective evaluations of our broadcasting interventions. While this tool is in development we will continue to monitor our performance using the indicators set out in the 2007 – 12 Statement of Intent, which are outlined below.

Major Outcome

We will determine the state of the major outcome by monitoring results and trends in the following set of indicators.

Intermediate Outcome	Indicators
Whānau, hapū, iwi, and Māori communities, maintain and strengthen their te reo Māori and tikanga Māori	<ul style="list-style-type: none"> number of people able to converse in Māori about a lot of everyday things. (Census) % of Māori who speak to others mainly in Māori (for half or more of the time): <ul style="list-style-type: none"> in their household while socialising (<i>Survey of the Health of the Māori Language</i>)
Learners of all ages and abilities are supported in their Māori language education, use and retention	<ul style="list-style-type: none"> % of Māori who are participating in learning te reo Māori (<i>Survey of the Health of the Māori Language</i>) % of Māori and non-Māori who believe it is right that Māori speak Māori in front of people who might not understand what they are saying (<i>Survey of Attitudes Values and Beliefs towards the Māori Language</i>)
New Zealanders experience te reo Māori and tikanga Māori	<ul style="list-style-type: none"> % of Māori and non-Māori who ‘really want to be involved in things to do with the Māori culture’ (<i>Survey of Attitudes Values and Beliefs towards the Māori Language</i>) % of New Zealanders who access Māori broadcasting (extent, level etc)

Strategy Impact

We will measure our operational performance and strategy impact by monitoring results and trends in the following set of indicators.

Strategy	Indicators
Protecting, promoting & developing te reo Māori and tikanga Māori	<ul style="list-style-type: none"> • Programme hours – protecting, promoting & developing te reo Māori and tikanga Māori • Māori accessing Māori programmes on both television and radio (<i>Māori Programming Audience Survey</i>) • Māori that have a ‘good’ understanding of te reo Māori or are fluent. (<i>Māori Programming Audience Survey</i>)
Promoting an awareness of current Māori issues	<ul style="list-style-type: none"> • Programme hours – news, current affairs, documentaries, debates • Māori sourcing information on Māori culture and Māori issues from television, radio and the internet (<i>Māori Programming Audience Survey</i>)
Ensuring that our programmes cater for diverse audiences and are as widely accessible to all New Zealanders as possible	<ul style="list-style-type: none"> • Non-Māori and Māori saying that people in their household regularly listen to or watch Māori radio stations and TV programmes in English (<i>NZ on Air Public Information and Opinion Monitor</i>) • Non-Māori and Māori saying that people in their household regularly listen to or watch Māori radio stations and TV programmes in Te Reo (<i>NZ on Air Public Information and Opinion Monitor</i>)
Encouraging all New Zealanders to value, or at least understand the value of, te reo Māori and tikanga Māori	<ul style="list-style-type: none"> • Non-Māori and Māori that think NZ on Air should fund Māori radio and television partly in Te Reo. (<i>NZ on Air Public Information and Opinion Monitor</i>) • Non-Māori and Māori think NZ on Air should fund Māori radio and television in English. (<i>NZ on Air Public Information and Opinion Monitor</i>) • Non-Māori and Māori that think NZ on Air should fund documentaries made by Māori about Māori issues, but for general audiences. (<i>NZ on Air Public Information and Opinion Monitor</i>)

Ensuring Our Capability to Perform

During 2007/08 we reviewed the progress we had made against our 2004 capability development plan, the Development Goals for the State Sector⁷ and our 'good employer' obligations under the Crown Entities Act 2004. We used the findings of that review to inform the development of our 2008 – 2013 capability development initiatives. Our current initiatives are aimed at:

- undertaking **practical, cost effective evaluations** of our broadcasting interventions, by developing and utilising an evaluation tool based on our evaluation approach;
- ensuring our **Purchase and Funding Framework** continues to be informed by and aligned with our Outcomes Framework;
- making greater use of **research and analysis** to confirm that we are doing the right things in the right way;
- upgrading our office environment to ensure staff responsiveness to the **digital broadcasting environment**;

- continuing to develop our Information Systems Strategic Plan (ISSP), including establishing and implementing an **integrated, modular approach to IT capability enhancement**;
- reviewing our **technological capability**, including assessing our in-house and external capability needs, our ability to support our website and our staff training requirements;
- implementing a **Board induction** programme;
- enhancing our internal **Māori language proficiency**; and
- providing greater **support for staff** by re-establishing access to Employee Assistance Programme (EAP) services.

Workplace Profile

Our workplace profile below shows that, although relatively small, we continue to employ a diverse staff.

⁷ State Services Commission's 2007, Transforming the State Services: State of the Development Goals Report 2007.

Te Māngai Pāho – Workplace Profile

Role	Total Workers	Gender				Ethnicity				With a self identified disability	Age			
		Male		Female		Māori		Non-Māori			under 20	21 to 40	41 to 60	over 60
		Full Time	Part Time	Full Time	Part Time	Full Time	Part Time.	Full Time	Part Time					
Management	4	3	0	1	0	3	0	1	0	0	0	4	0	
Professionals / Technical	5	0	0	4	1	3	0	1	1	0	0	4	1	0
Support Services	2	0	0	2	0	1	0	1	0	0	0	1	1	0
Total	11	3	0	7	1	7	0	3	1	0	0	5	6	0

Key Funding Areas for the Next Five Years

Our Purchase and Funding Framework (the Funding Framework) sets out our programming requirements. It specifies the categories of Māori language and Māori cultural content we seek from producers of Māori music, radio and television programming. Within the parameters set, Māori programme producers are invited to develop proposals that respond to those requirements and which will gain a positive commitment from radio and television broadcasters.

When we implemented the Funding Framework in 2006/07 we took a prudent approach ensuring the allocation proportions reflected how we had previously spread the funding, which was in line with the demographics of language speakers. During 2007/08 we undertook a post-implementation review of the Funding Framework.

Recent analysis of viewer-ship has shown that programmes targeted at fluent and second language learners also attract a very large number of receptive viewers. By increasing the funding available at the top end of the intervention triangle we can actually reach across the spectrum by making targeted use of sub-titling. This approach has the added benefit of increasing the normalisation of listening to full Māori language.

Through consultation with broadcasters and the production community, we have determined that the optimal way to structure

the television funding rounds is to move from four to three funding rounds each year.

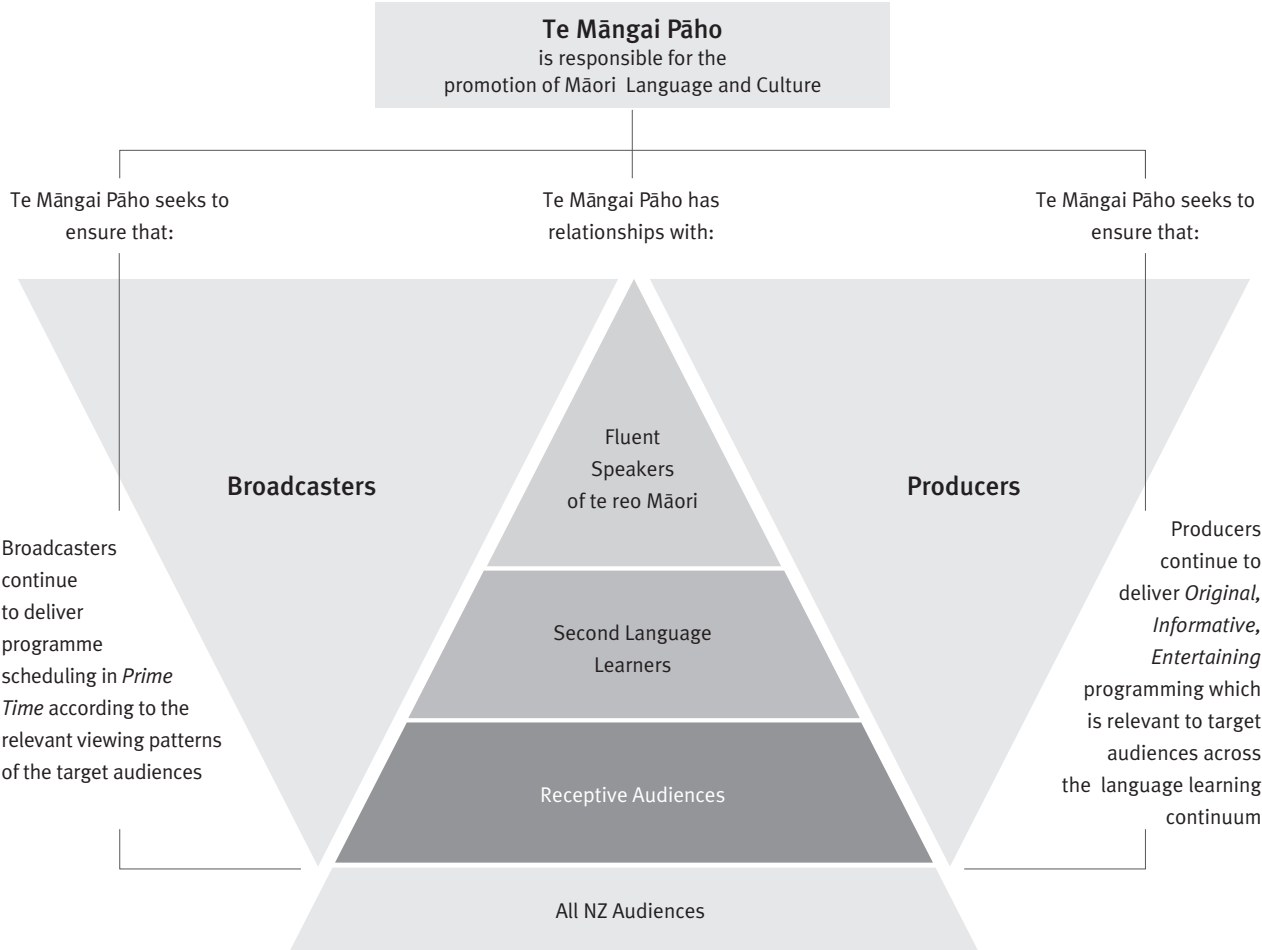
Our reporting and monitoring mechanisms have also been reviewed and refined to ensure that they are fully aligned with the Funding Framework and reporting from an audience based perspective rather than a genre based one.

Our approach continues to build upon the base provided by our colleagues at New Zealand on Air who are tasked more with providing broad-spectrum funding for Māori themed and general programming for audiences on radio and television.

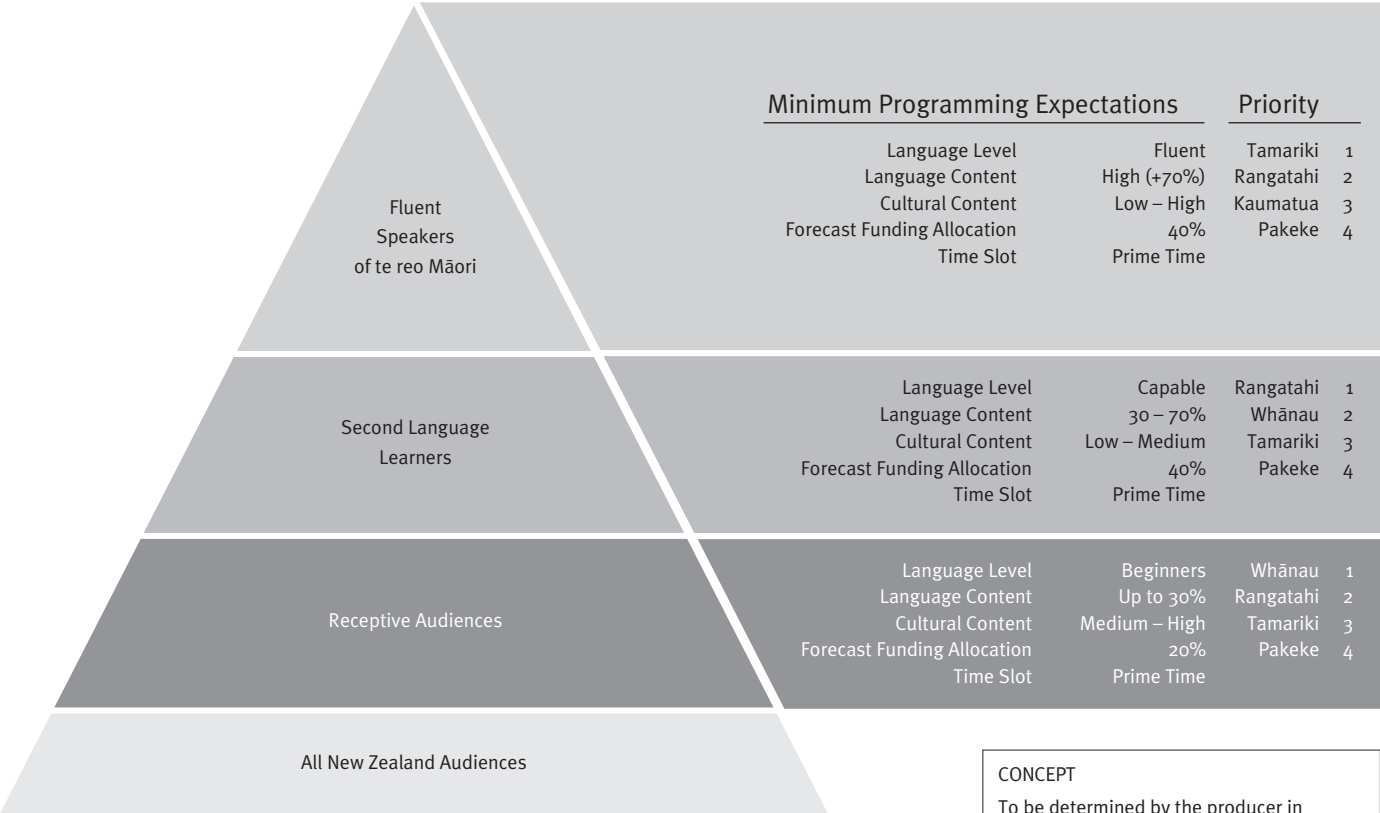
We will also continue to maximise our investments by placing our emphasis on supporting programmes that will be broadcast in Prime Time which in terms of Māori broadcasting does not relate to the commercial ratings-hours favoured by mainstream broadcasters, but instead is entirely contextual. Prime Time to us reflects the most optimum broadcast time appropriate to the target audience. Prime Time for tamariki audiences is clearly different to that of rangatahi for instance, and we expect all successful funding applicants to work closely with their chosen broadcaster to achieve this goal.

The updated Funding Framework follows.

Te Māngai Pāho Purchase and Funding Framework: Relationship Matrix



Te Māngai Pāho Purchase and Funding Framework: Programming Expectations



CONCEPT
 To be determined by the producer in consultation with the broadcaster to best appeal to the target audience

Priorities for the Year Ahead – 2008/09

The coming year will be the first in the period to which this Statement of Intent relates.

Details of the specific outputs that we plan to deliver are provided in Part B of this document (see pages 33 to 41 for our Statement of Forecast Service Performance). In addition, we want to provide readers with some sense of the more significant projects and initiatives we will undertake this year.

The significant projects and initiatives we will undertake in 2008/09 are:

Overall

- To strengthen our ongoing engagement with sector interest groups.
- To develop an approach for archiving in line with the Broadcasting Amendment Act (No 2) 2007.

- To develop and utilise an evaluation tool based on our evaluation approach, which will allow us to undertake practical, cost effective evaluations of our broadcasting interventions.

Television – specific

- To develop a working plan for the new digital television environment.

Radio – specific

- To consult with Te Whakaruruhau o Ngā Reo Irirangi Māori, iwi radio licence holders and the iwi radio stations on the development of measures to enhance the responsiveness of the current iwi radio funding approach.
- To complete the installation of the new radio network distribution system (Punga.Net²).

Statement Of Responsibility

Te Māngai Pāho's forecast financial statements have been prepared in accordance with sections 139 and 141 of the Crown Entities Act 2004 and are consistent with generally accepted accounting practice.

The Chief Executive acknowledges, in signing this statement, that he is responsible for the forecast financial statements contained in this report.

The financial performance forecasts to be achieved by Te Māngai Pāho for the year ending 30 June 2009, specified in the Statement of Forecast Service Performance, are agreed with the Board of Te Māngai Pāho and its Responsible Minister.

The performance for each class of outputs forecast to be achieved by Te Māngai Pāho for the year ending 30 June 2009 is as specified in a separate output plan also agreed between the Board of Te Māngai Pāho and the Responsible Minister.

We certify that the information contained in this report is consistent with the appropriations contained in the Estimates for the year ending 30 June 2009 that are being laid before the House of Representatives under section 9 of the Public Finance Act 1989.



Signed
John Bishara
Chief Executive



Counter signed
Thomas Hood
Manager, Corporate Services

Statement of Significant Underlying Assumptions

The forecast financial statements on pages 33 to 52 have been completed on the basis of existing Government policies and after consultation by the Board and management of Te Māngai Pāho with the Minister of Māori Affairs. The forecast financial statements have been prepared on the basis of assumptions as to future events that the Board and management of Te Māngai Pāho reasonably expect to occur, associated with the actions they reasonably expect to take, as at the date the information was prepared.

These statements have been prepared also in the context of the budgetary process.

It is not intended that this published material will be updated.

The main assumptions are that:

- Te Māngai Pāho is a going concern.
- The broadcasting landscape in which Te Māngai Pāho operates will remain substantially the same as the previous year.
- Te Māngai Pāho will mainly fund the types of broadcasting activities previously funded.
- The scale of Te Māngai Pāho's activities will remain substantially the same.
- A review of our approach to International Financial Reporting Standards does not result in a change to our current practice.

Statement of Forecast Service Performance

Te Māngai Pāho receives operational funding through Vote: Māori Affairs. The description of the output classes through which Te Māngai Pāho receives operational funding follows:

Non-Departmental Output Class 04 – Māori Television Broadcasting

The Minister of Māori Affairs will purchase this class of outputs from Te Māngai Pāho to:

- promote Māori television broadcasting;
- promote capability in the Māori television broadcasting and production sector; and

- purchase programmes to be broadcast on television.

Performance measures for this class of outputs will be included in the following documents:

- Te Māngai Pāho's 2008 – 2013 Statement of Intent; and
- The 2008/09 Output Plan.

Outputs will be provided within the appropriated sum of \$40.3 million (exclusive of GST) and reserves of \$0.9 million (exclusive of GST), a total of \$41.2 million (exclusive of GST).

Te Māngai Pāho will deliver four outputs through this output class. A description, the cost and performance measures for these outputs are described below.

Output 1 – Direct Funding of Māori Television

Description	Performance Measures
<p>Direct funding of Māori Television is for:</p> <ul style="list-style-type: none"> • the production of in-house television programmes by Māori Television, (e.g. news, sport, current affairs and light entertainment). • direct acquisition by Māori Television of local and overseas programming and, reversioning or sub-titling of selected programmes into te reo Māori. 	<p>Quantity of Broadcast Time Purchased</p> <ul style="list-style-type: none"> • Purchase approximately 720 broadcast hours from Māori Television.

Description	Performance Measures										
	<p>Quantity of Television Programmes to be purchased according to genre</p> <ul style="list-style-type: none"> Purchase the following hours according to genre: 										
	<table border="1"> <thead> <tr> <th>Target Audience Group</th> <th>2008/09 Annual Programme Hours Sought</th> </tr> </thead> <tbody> <tr> <td>Fluent Māori Language Speakers</td> <td>420</td> </tr> <tr> <td>Second Language Learners</td> <td>100</td> </tr> <tr> <td>Receptive Audiences</td> <td>200</td> </tr> <tr> <td>Total Programme Hours</td> <td>720</td> </tr> </tbody> </table>	Target Audience Group	2008/09 Annual Programme Hours Sought	Fluent Māori Language Speakers	420	Second Language Learners	100	Receptive Audiences	200	Total Programme Hours	720
	Target Audience Group	2008/09 Annual Programme Hours Sought									
	Fluent Māori Language Speakers	420									
	Second Language Learners	100									
	Receptive Audiences	200									
Total Programme Hours	720										
<p>Quantity of Māori language</p> <p>The te reo Māori content of directly funded Māori Television programming will be over 70% for Fluent, between 30 – 70% for Second Language Learners, and up to 30% for Receptive Audiences.</p> <ul style="list-style-type: none"> The quantity of Māori language as reported by Māori Television will be confirmed by two six monthly reviews by Te Taura Whiri i te Reo Māori (the Māori Language Commission) to confirm whether a selection of programmes broadcast have met the stated quantity levels. 											
<p>Quality of Māori language</p> <ul style="list-style-type: none"> Quality will be measured by two six monthly reviews by Te Taura Whiri i te Reo Māori (the Māori Language Commission) to confirm whether a selection of programmes broadcast have met Te Taura Whiri i te Reo Māori quality indicator framework. 											
<p>Cost: \$16.1 million (exclusive of GST).</p>											

Output 2 – Contestable Television Programme Funding

Description	Performance Measures
A contestable funding pool for programmes which promote Māori language and Māori culture.	<p>Quantity of Broadcast Time Purchased</p> <ul style="list-style-type: none"> Purchase approximately 625 hours through contestable funding.

Description	Performance Measures										
	<p>Quantity of television programmes to be purchased targeting specific audience groups</p> <ul style="list-style-type: none"> Purchase the following hours targeting the following audience groups: <table border="1"> <thead> <tr> <th>Target Audience Group</th> <th>2008/09 Annual Programme Hours Sought</th> </tr> </thead> <tbody> <tr> <td>Fluent Māori Language Speakers</td> <td>250</td> </tr> <tr> <td>Second Language Learners</td> <td>250</td> </tr> <tr> <td>Receptive Audiences</td> <td>125</td> </tr> <tr> <td>Total Programme Hours</td> <td>625</td> </tr> </tbody> </table> <p>Quantity of Māori language</p> <ul style="list-style-type: none"> The te reo Māori content of contestably funded programming will be over 70% for Fluent, between 30 – 70 % for Second Language Learners, and up to 30% for Receptive Audiences. The quantity of Māori language as reported by the producer will be confirmed by quarterly reviews by Te Taura Whiri i te Reo Māori (Māori Language Commission) to confirm whether a selection of programmes completed have met the stated quantity levels. <p>Quality of Māori language</p> <ul style="list-style-type: none"> Quality will be measured by two six monthly reviews by Te Taura Whiri i te Reo Māori (the Māori Language Commission) to confirm whether a selection of programmes broadcast have met Te Taura Whiri i te Reo Māori quality indicator framework. 	Target Audience Group	2008/09 Annual Programme Hours Sought	Fluent Māori Language Speakers	250	Second Language Learners	250	Receptive Audiences	125	Total Programme Hours	625
Target Audience Group	2008/09 Annual Programme Hours Sought										
Fluent Māori Language Speakers	250										
Second Language Learners	250										
Receptive Audiences	125										
Total Programme Hours	625										
Cost: \$25.0 million (exclusive of GST).											

Output 3 – Television Industry Co-ordination and Development

Description	Performance Measures
Māori television industry groups, including Ngā Aho Whakaari, will be funded to facilitate the two-way flow of information between the Māori television industry and Te Māngai Pāho.	<ul style="list-style-type: none"> Enter into an agreement with Ngā Aho Whakaari for Ngā Aho Whakaari to facilitate a two way flow of information between the Māori television industry and Te Māngai Pāho. Selected industry representatives agree that the industry groups consulted by Te Māngai Pāho have facilitated the effective flow of information between Te Māngai Pāho and the Māori television industry.
Cost: \$0.1 million (exclusive of GST).	

Output	Description	Cost \$m (exclusive of GST)
Output 1	Direct Funding of Māori Television	\$16.1
Output 2	Contestable Funding	\$25.0
Output 3	TV Industry Co-ordination	\$0.1
Total Cost for Non-Departmental Output Class 04		\$41.2m

Non-Departmental Output Class 03 – Māori Radio Broadcasting

The Minister of Māori Affairs will purchase this class of outputs from Te Māngai Pāho to:

- promote Māori radio broadcasting;
- promote capability in the Māori radio broadcasting sector;
- support the operational costs of iwi radio stations; and
- purchase programmes to be broadcast on radio.

Performance measures for this class of outputs will be included in the following documents:

- Te Māngai Pāho's 2008 – 2013 Statement of Intent; and
- The 2008/09 Output Plan.

Outputs will be provided within the appropriated sum of \$10.7 million (exclusive of GST) and interest income of \$0.5 million (exclusive of GST), a total of \$11.2 million (exclusive of GST).

Te Māngai Pāho will deliver four outputs through this output class. A description, the cost and performance measures for these outputs are described below.

Output 1 – Operational Funding for Iwi Radio

Description	Performance Measures		
Operational funding to iwi stations to broadcast programmes.	Broadcast Time Secured		
	Te Māngai Pāho will secure an eighteen hour window each day from the 21 recognised iwi radio stations to ensure that their contracted te reo Māori hours reach prime time audiences.		
	<ul style="list-style-type: none"> • 137,970 hours of broadcast window secured from 21 iwi radio stations. 		
	Number Of Stations	Hours Each Day	Annual Broadcast Window Secured
	21	18	137,970

Description	Performance Measures		
	<p><i>Māori language content of secured broadcast time</i></p> <ul style="list-style-type: none"> Eight hours each day of te reo Māori purchased from the 21 recognised iwi stations, to be broadcast within the broadcast window secured. (See Table below). <p><i>Summary of Māori Language Hours Purchased</i></p>		
	Māori Language Hours Each Day	Number of Stations	Annual Māori language Broadcast Hours
	8	21	61,320
	Total		61,320
	<p><i>Quantity of Māori language</i></p> <ul style="list-style-type: none"> The quantity of Māori language as reported by the iwi stations will be confirmed by ongoing monitoring by Te Māngai Pāho to confirm whether a selection of programmes broadcast have met the stated quantity levels. <p><i>Quality of Māori language</i></p> <ul style="list-style-type: none"> Quality will be measured by two six monthly reviews by Te Taura Whiri i te Reo Māori (Māori Language Commission) to confirm whether a selection of programmes broadcast have met Te Taura Whiri i te Reo Māori quality indicator framework. 		
	Cost: \$8.1million (exclusive of GST)		

Output 2 – Contestable Radio Programme and Music Funding

Description	Performance Measures	
Contestable Funding will be provided for the promotion of Māori language and Māori culture through radio programme production, event broadcasts and music CDs.	<p><i>Purchase of programming targeting specific audience groups for national broadcast by distribution to iwi radio stations via the Punga.Net network within the broadcast window</i></p>	
	Target Audience Group	2008/09 Annual Hours Sought within the Broadcast Window
	Fluent Māori Language Speakers	1,265
	Second Language Learners	-*
	Receptive Audiences	-*
	Total Programme Hours	1,265
<p>* Note that operational funding (Output 1 above) provides for a large proportion of the balance of iwi stations' daily broadcast schedule. Stations will provide programming targeted for Second Language Learners and Receptive Audiences to the extent deemed appropriate by each station.</p>		

Description	Performance Measures	
	Quantity of music CD albums, CD Singles to be purchased in 2008/09	
	Annual Target	
	Music CDs	10 CD Albums
	Midnight to Dawn Te Reo Māori Content	
	Te Māngai Pāho will make available through the Punga.net system a midnight to dawn programme with te reo Māori content for uptake by the 21 iwi stations outside the broadcast window.	
	Target Audience Groups	2008/09 Annual Hours Sought outside the Broadcast Window
	Second Language Learners	1,560
	Total Programme Hours	1,560
	Quantity of Māori language	
	<ul style="list-style-type: none"> The quantity of Māori language as reported by the by the producer will be confirmed by two six monthly reviews by Te Taura Whiri i te Reo Māori (Māori Language Commission) to confirm whether a selection of programmes completed have met the stated quantity levels. 	
Quality of Māori language		
<ul style="list-style-type: none"> Quality will be measured by two six monthly reviews by Te Taura Whiri i te Reo Māori (Māori Language Commission) to confirm whether a selection of programmes broadcast and music produced have met Te Taura Whiri i te Reo Māori quality indicator framework. 		
Cost: \$1.9 million (exclusive of GST)		

Output 3 – Radio Distribution System

Description	Performance Measures
Funding for a contract to manage the distribution service (Punga. Net) which will be available to iwi radio stations for the purposes of sending and receiving programmes from each other and independent programme makers.	Distribution Service A contract to provide for the management of the new Punga.Net service. Feedback from iwi radio stations will indicate that Punga.Net service delivery has been satisfactory.
Cost: \$0.9 million (exclusive of GST)	

Output 4 – Capacity Building and Industry Coordination

Description	Performance Measures
<p>This output includes provision for the iwi radio industry representatives, Te Whakaruruahau and its operational company to contract and oversee, among other tasks, the Radio Industry Capacity Building programme and to promote and facilitate greater co-ordination between the industry and Te Māngai Pāho.</p> <p>Funding (according to priority and technical assessments) will be provided to complete the enhancement and the broadcasting capability of selected iwi stations.</p>	<ul style="list-style-type: none"> • Enter into agreements with Te Whakaruruahau and its operational company for the oversight of the Radio Industry Capacity Building Programme and to promote and facilitate coordination between the radio industry and Te Māngai Pāho. • Selected industry representatives agree that Te Whakaruruahau has facilitated effective co-ordination between Te Māngai Pāho and the members of Te Whakaruruahau and are satisfied with the management of the Radio Industry Capability Building Programme.
<p>Cost: \$0.3 million (exclusive of GST)</p>	

Summary for Non Departmental Output Class 03

Output	Description	Cost \$m (exclusive of GST)
Output 1	Operational Funding for Iwi Radio	\$8.1
Output 2	Contestable Radio Programme and Music Funding	\$1.9
Output 3	Radio Distribution System	\$0.9
Output 4	Capacity Building and Industry Co-ordination	\$0.3
Total Cost for Non-Departmental Output Class 03		\$11.2m

Non-Departmental Output Class 01 – Administration of Broadcasting Funding

The Minister of Māori Affairs will purchase this class of outputs from Te Māngai Pāho so that Te Māngai Pāho can:

- meet its statutory functions, including the management and disbursement of funds to promote Māori language and Māori culture;
- pursue the outcomes in the 2008 – 2013 Statement of Intent; and
- deliver the outputs in the 2008/09 Output Plan.

Performance measures for this class of outputs will be included in the following documents:

- Te Māngai Pāho's 2008 – 2013 Statement of Intent, and
- The 2008/09 Output Plan.

Outputs will be provided within the appropriated sum of \$2.1 million (exclusive of GST) and reserves of \$1.4 million, a total of \$3.5 million (exclusive of GST).

Te Māngai Pāho will deliver one output through this output class. A description, the cost and performance measures this output is described below.

Output 1 – Administration of Māori Broadcasting

Description	Performance Measures
<p>To fund the administrative activities of Te Māngai Pāho including meeting accountability requirements, consultation obligations and the provision of programme purchase and contract management services.</p>	<p><i>Accountability for policies, decisions and performance</i></p> <ul style="list-style-type: none"> • Te Māngai Pāho's Statement of Intent will be tabled in Parliament and available for interested parties at the beginning of the financial year. • Key initiatives will be flagged to the Minister through regular scheduled meetings or briefings as appropriate. <p><i>Purchase decisions</i></p> <ul style="list-style-type: none"> • All purchase decisions made by the Board will be in accordance with the approved policies (detailed in the Request for Proposals – RFP's). • All purchase decisions made by the Board will be in accordance with the provisions of the Broadcasting Act 1989 and Te Māngai Pāho's policies. • All completed applications received by Te Māngai Pāho by the published deadlines will be considered by the Board within one month following the deadline. • Te Māngai Pāho will notify all applicants by letter as soon as practicable. • Te Māngai Pāho will hold funding workshops in 2008/09 to promote understanding of Te Māngai Pāho's funding requirements and improve the quality of proposals received.

Description	Performance Measures								
	<p>Consultation</p> <ul style="list-style-type: none"> Te Māngai Pāho will consult with representatives of Māori interests, broadcasters and those, who in the opinion of Te Māngai Pāho, can assist in the development of Te Māngai Pāho's funding policies. Te Māngai Pāho will secure audience survey information for television and radio in order to measure audience response to programmes funded by Te Māngai Pāho. Audience survey information will confirm that at least 40% of the general Māori population and at least 45% of the Māori youth population surveyed watch Māori programmes on television and listen to iwi radio. <p>Effective Contract Management</p> <ul style="list-style-type: none"> Contracts will be put in place for all successful applicants. The type and anticipated quantity of contracts managed by Te Māngai Pāho over the course of the financial year will be: <table border="1"> <thead> <tr> <th>Contract Type</th> <th>Annual Forecast Number Television</th> </tr> </thead> <tbody> <tr> <td>Television</td> <td>135</td> </tr> <tr> <td>Radio</td> <td>85</td> </tr> <tr> <td>Total</td> <td>220</td> </tr> </tbody> </table> <p>Contract Monitoring</p> <ul style="list-style-type: none"> All draft and finalised funding agreements will include Te Māngai Pāho's essential terms and conditions, and include clear production milestones, accountabilities and reporting requirements. Contract monitoring will be undertaken in accordance with agreed procedures. <p>Archiving</p> <ul style="list-style-type: none"> Te Māngai Pāho will consult with representatives of Māori interests, broadcasters and those, who in the opinion of Te Māngai Pāho, can assist in the development of Te Māngai Pāho's archiving policies. Enter into agreements with selected providers for the provision of archiving services. 	Contract Type	Annual Forecast Number Television	Television	135	Radio	85	Total	220
Contract Type	Annual Forecast Number Television								
Television	135								
Radio	85								
Total	220								
Cost: \$3.5 million (exclusive of GST).									

Summary for Non Departmental Output Class 01

Output	Description	Cost \$m (exclusive of GST)
Output 1	Administration of Māori Broadcasting Funding	\$3.5
Total Cost for Non-Departmental Output Class 01		\$3.5m

Forecast Financial Statements

Statement of Accounting Policies For the year ending 30 June 2009

Reporting Entity

These are the financial statements of Te Māngai Pāho, a Crown Entity established under the Broadcasting Act 1989.

These financial statements have been prepared in accordance with Section 41 of the Public Finance Act 1989.

The primary function of Te Māngai Pāho is to promote the Māori language and Māori culture by making funds available for broadcasting, the production of programmes to be broadcast and archiving programmes.

As a secondary function Te Māngai Pāho may also make funds available for transmitting on demand, producing content for transmitting on demand and archiving content.

In the exercise of these functions Te Māngai Pāho will consult from time to time with representatives of Māori interests, broadcasters and others who, in the opinion of Te Māngai Pāho, can assist in the development of funding policies.

Te Māngai Pāho has designated itself as a public benefit entity for the purposes of New Zealand Equivalents to International Financial Reporting Standards (“NZ IFRS”).

The forecast financial statements of Te Māngai Pāho are for the year ending 30 June 2009. The forecast financial statements were approved by the Board in June 2008.

Basis of preparation

1. Statement of Compliance

These financial statements have been prepared in accordance with New Zealand generally accepted accounting practice (NZ GAAP). They comply with New Zealand equivalents to IFRS (NZ IFRS) and other applicable Financial Reporting Standards, as appropriate for public benefit entities.

2. Measurement Base

The accounting principles recognised as appropriate for the

measurement and the measurement base adopted is that of historical cost unless otherwise stated.

3. Functional and Presentation Currency

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$'000). The functional currency of Te Māngai Pāho is New Zealand dollars.

4. Judgements and estimations

The preparation of financial statements in conformity with NZ IFRS requires judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Subsequent actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

Key assumptions and estimates are:

- Crown Appropriation will not change materially from that forecast and will be received on time;
- Broadcasters and producers will fulfil their legal obligations within the timeframe as per the contract;
- Te Māngai Pāho assesses property, plant and equipment useful lives and residual value by considering a number of factors such as the physical condition of the asset, expected period of use of the asset by Te Māngai Pāho, and expected disposal proceeds from the future sale of the asset. Te Māngai Pāho has not made significant changes to past assumptions concerning useful lives and residual values.

Critical judgements

Management has exercised the following critical judgements in applying the accounting policies for the period ended 30 June 2008:

Provision of Television & Radio production funding

Judgement is required to determine whether conditions set out in the letter informing the producer that the funding has been approved would result in a valid expectation in the mind of the producer that, at the date of the letter, they will obtain the funding.

Leases classification

Determining whether a lease agreement is a finance or an operating lease requires judgement as to whether the agreement transfers substantially all the risks and rewards of ownership to Te Māngai Pāho.

Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term and determining an appropriate discount rate to calculate the present value of the minimum lease payments.

Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant and equipment, whereas for an operating lease no such asset is recognised.

Te Māngai Pāho has exercised its judgement on the appropriate classification of equipment leases and, has determined the current lease arrangements are operating leases.

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

Standards, amendments and interpretations issued but not yet effective that have not been early adopted, and which are relevant to Te Māngai Pāho include:

- NZ IAS 1 Presentation of Financial Statements (revised 2007) replaces NZ IAS 1 Presentation of Financial Statements (issued 2004) and is effective for reporting periods beginning on or after 1 January 2009. The revised standard requires information in financial statements to be aggregated on the basis of shared characteristics and introduces a statement of comprehensive income. The statement of comprehensive income will enable readers to analyse changes in equity resulting from non-owner changes separately from transactions with the Crown in its capacity as “owner”. The revised standard gives Te Māngai Pāho the option of presenting items of income and expense and components of other comprehensive income either in a single statement of comprehensive income with subtotals, or in two separate statements (a separate income statement followed by a statement of comprehensive income). Te Māngai Pāho intends to adopt this standard for the year ending 30 June 2010, and is yet to decide whether it will prepare a single statement of comprehensive income or a separate income statement followed by a statement of comprehensive income.

Accounting Policies

The following accounting policies which materially affect the measurement of financial performance and financial position have been applied consistently to all periods presented in these financial statements.

1. 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 the Board for the preparation of the financial statements.

2. Revenue

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

Revenue from the Crown

Te Māngai Pāho is primarily funded through revenue received from the Crown, which is restricted in its use for the purpose of Te Māngai Pāho meeting its objectives as specified in the statement of intent. Revenue from the Crown is recognised as revenue when earned and is reported in the financial period to which it relates.

3. Treatment of the Allocation of Funds

Subject to the following conditions, the allocation of funds to broadcasting projects is treated as expenditure in the year the allocation is made.

Prior to the end of the financial year, the project must have received Board approval and the funding applicant must have received notice of approval. In addition, funding allocations that are date sensitive will be expensed in the financial period to which they relate.

The resulting liability is reduced as the applicant is paid according to the drawdown schedule specified in the production contract.

4. Taxation

A. Income Tax

No income tax liability is incurred in respect of any operations. Te Māngai Pāho is exempt from income tax in accordance with section 53 O of the Broadcasting Amendment Act 1993.

B. Goods and Services Tax

The financial statements have been prepared on a GST exclusive basis, except for accounts payable and receivable, which are recorded on a GST inclusive basis.

The net amount of GST recoverable from, or payable to, the Inland Revenue Department (IRD) is included as part

of receivables or payables in the statement of financial position.

The statement of cash flows has been prepared on a net GST basis. That is, cash receipts and payments are presented exclusive of GST. A net GST presentation has been chosen to be consistent with the presentation of the statement of financial performance and statement of financial position. The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as an operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

C. Fringe Benefit Tax

Fringe Benefit Tax is payable on all fringe benefits.

5. Debtors and other receivables

Trade and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

A provision for impairment of receivables is established when there is objective evidence that Te Māngai Pāho will not be able to collect all amounts due according to the original terms of receivables. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows, discounted using the effective interest method.

6. Property, plant and equipment

Property, plant and equipment consists of office equipment, furniture and fittings, computer equipment, leasehold improvement, and motor vehicles.

Property, plant and equipment is shown at cost or deemed cost less accumulated depreciation and impairment loss.

Additions

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

In most instances, an item of property, plant and equipment is recognised at its cost. Where an asset is acquired at no cost, or for a nominal cost, it is recognised at fair value as at the date of acquisition.

Disposals

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

Subsequent costs

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

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year end.

7. Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment, at a rate which will write off the cost of the assets over their useful lives, with no residual value. The depreciation rates of major classes of assets have been estimated as follows:

Office Equipment	10-24%
Furniture & fittings	5-33%
Computer Equipment	33%
Leasehold Improvements	5.5-10%
Motor Vehicle	20%

8. Intangible assets

Computer software that is not integral to the operation of the hardware is recorded as an intangible asset on the basis of the costs incurred to acquire and bring to use the specific software.

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

Costs that are directly associated with the development of software for internal use by Te Māngai Pāho, are recognised as an intangible asset. Direct costs include the software development, employee costs and an appropriate portion of relevant overheads.

Staff training costs are recognised as an expense when incurred.

Amortisation

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

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

Acquired computer software	3 years	33%
Developed computer software	4 years	25%

9. Impairment of non-financial assets

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

Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not

primarily dependent on the asset's ability to generate net cash inflows and where Te Māngai Pāho would, if deprived of the asset, replace its remaining future economic benefits or service potential.

If an asset's carrying amount exceeds its recoverable amount, the asset is impaired and the carrying amount is written down to the recoverable amount. For revalued assets the impairment loss is recognised against the revaluation reserve for that class of asset. Where that results in a debit balance in the revaluation reserve, the balance is recognised in the statement of financial performance.

For assets not carried at a revalued amount, the total impairment loss is recognised in the statement of financial performance.

The reversal of an impairment loss on a revalued asset is credited to the revaluation reserve. However, to the extent that an impairment loss for that class of asset was previously recognised in the statement of financial performance, a reversal of the impairment loss is also recognised in the statement of financial performance.

For assets not carried at a revalued amount the reversal of an impairment loss is recognised in the statement of financial performance.

10. Creditors and other payables

Creditors and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

11. Financial Instruments

Te Māngai Pāho is party to financial instruments as part of its normal operations. These are non-derivative financial instruments including bank accounts, short term deposits, accounts receivable and accounts payable. All financial instruments are recognised in the statement of financial position and all revenue and expenditure in relation to the financial instruments are recognised in the statement of financial performance.

A financial instrument is recognised if Te Māngai Pāho becomes a party to the contractual provisions of the instrument. Financial assets are derecognised if Te Māngai Pāho's contractual rights to the cash flows from the financial assets expire or if Te Māngai Pāho transfers the financial assets to another party without retaining control or substantially all risk and rewards of the asset. Regular way purchases and sales of financial assets are accounted for at trade date, i.e., the date that Te Māngai Pāho commits itself to purchase or sell the assets. Financial liabilities are derecognised if Te Māngai Pāho's obligations specified in the contract expire or are discharged or cancelled.

Cash and cash equivalents includes cash on hand, held at call with banks which Te Māngai Pāho invests as part of its day-to-day cash management and other short-term highly liquid investments with original maturities of three months or less.

12. Employee benefits

Short-term benefits

Employee benefits that Te Māngai Pāho expects to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay.

These include salaries and wages accrued up to balance date, annual leave earned to, but not yet taken at balance date, and sick leave.

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

Te Māngai Pāho recognises a liability and an expense for bonuses

where contractually obliged or where there is a past practice that has created a constructive obligation.

Superannuation Scheme

Defined contribution schemes

Obligations for contributions to KiwiSaver are accounted for as defined contribution superannuation scheme and are recognised as an expense in the statement of financial performance as incurred.

Insufficient information is available to use defined benefit accounting, as it is not possible to determine from the terms of the scheme, the extent to which the surplus/deficit will affect future contributions by individual employers, as there is no prescribed basis for allocation. The scheme is therefore accounted for as a defined contribution scheme.

13. Operating Leases

Operating lease payments, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items, are charged as expenses on a straight-line basis over the lease terms.

14. Provisions

Te Māngai Pāho recognises a provision for future expenditure of uncertain amount or timing when there is a present obligation (either legal or constructive) as a result of a past event, it is probable that expenditures will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not recognised for future operating losses.

15. Commitments

Future payments are disclosed as commitments at the point when a contractual obligation arises, to the extent that they are equally

unperformed obligations. Commitments relating to employment contracts are not disclosed.

16. Statement of Cashflows

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

Operating activities include all activities other than investing and financing activities. The cash inflows include all receipts from the sale of goods and services and other sources of revenue that support the operating activities of Te Māngai Pāho. Cash outflows include payments made to employees, suppliers and for taxes.

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

Financing activities comprise those activities relating to changes in the equity of Te Māngai Pāho.

17. Comparative Figures

To ensure consistency with the current year's presentation, comparative figures have been restated where appropriate.

18. Output Cost Statements

The Output Cost Statements, as reported in the Statement of Forecast Service Performance, report the total funding allocations made for the radio and television outputs for the year ending 30 June 2009. They also report the forecast costs of administrative activities undertaken by Te Māngai Pāho.

19. Changes in Accounting Policies

There have been no changes in accounting policies since the date of the last audited financial statements prepared under NZ GAAP, other than the impact of adoption of NZ IFRS.

Statement of Prospective Financial Performance

For the five years ending 30 June 2013

	2008 Estimated Actual \$m	2009 Forecast \$m	2010 Forecast \$m	2011 and out years Forecast \$m
REVENUE				
Crown Appropriation	52.7	53.2	53.2	52.9
Other Revenue	0.2	0	0	0
Interest received	2.5	1.9	1.9	1.9
Total Revenue	55.4	55.1	55.1	54.8
FUNDING EXPENDITURE				
Television	41.7	41.2	41.2	41.2
Radio	11.8	11.2	11.2	11.2
Total funding expenditure	53.5	52.4	52.4	52.4
OPERATING EXPENDITURE				
Administration and consultation	2.4	3.5	3.3	3.0
Total operating expenditure	2.4	3.5	3.3	3.0
Total expenditure	55.9	55.9	55.7	55.4
NET SURPLUS/(DEFICIT) FOR THE YEAR	(0.5)	(0.8)	(0.6)	(0.6)

The accompanying accounting policies form part of these financial statements.

Statement of Prospective Movements in Public Equity

For the year ending 30 June 2009

	2008 Estimated Position 30 June 2008 \$m	2009 Forecast Position 30 June 2009 \$m
Public Equity at 1 July	6.9	6.6
Add surplus/(deficit) for the year	(0.5)	(0.8)
Total recognised revenues and expenses for the year	(0.5)	(0.8)
Capital Contribution	0.2	0
PUBLIC EQUITY 30 JUNE	6.6	5.8

The accompanying accounting policies form part of these financial statements.

Statement of Estimated Financial Position

As at 30 June 2008, and PROSPECTIVE FINANCIAL POSITION

	2008 Estimated Position 30 June 2008 \$m	2009 Forecast Position 30 June 2009 \$m
PUBLIC EQUITY		
Opening equity 1 July	6.9	6.6
Add surplus/(deficit)	(0.5)	(0.8)
Capital Contribution	0.2	0
PUBLIC EQUITY 30 JUNE	6.6	5.8
Represented by:		
ASSETS		
Current Assets		
Cash and Cash Equivalent	24.9	24.7
Debtors and Other Receivables	0.1	0.1
Total Current Assets	25.0	24.8
Non-Current Assets		
Property, Plant and Equipment	0.4	0.6
Intangible Assets	0.1	0.2
Total Non-Current Assets	0.5	0.8
TOTAL ASSETS	25.5	25.6
LIABILITIES		
Current Liabilities		
Creditors and Other Payables	0.1	0.1
Employee Entitlements	0.1	0.1
Funding Provisions	18.7	19.6
Total Current Liabilities	18.9	19.8
TOTAL LIABILITIES	18.9	19.8
NET ASSETS	6.6	5.8

The accompanying accounting policies form part of these financial statements.

Statement of Prospective Cash Flows

For the year ending 30 June 2009

	2008 Estimated Actual \$m	2009 Forecast \$m
Cash Flows from Operating Activities		
Cash provided from –		
Crown Funding	37.9	53.2
Interest received	2.5	1.9
Other revenues for services provided	0.1	0.0
	40.5	55.1
Cash applied to –		
Payments to employees	1.0	1.1
Payments to suppliers	1.3	1.6
Payments to broadcasters and programme producers	54.2	52.2
GST (net)	0.1	0.1
	56.6	55.0
Net Cash Flows from Operating Activities	(16.1)	0.1
Cash Flows from Investing Activities		
Cash applied to –		
Purchase of Property, Plant and Equipment	(0.4)	(0.2)
Purchase of Intangible Assets	0	(0.1)
Net Cash Flow from Investing Activities	(0.4)	(0.3)
Net Cash Flow from Financing Activities	0	0
Net increase/(decrease) in cash held	(16.5)	(0.2)
Plus Opening cash as at 1 July	41.4	24.9
Closing cash as at 30 June	24.9	24.7

The accompanying accounting policies form part of these financial statements.

Reconciliation of Net Cash Flows from Operating Activities to Net Surplus in the Forecast Statement of Financial Performance

For the year ending 30 June 2009

	2008 Estimated Actual \$m	2009 Forecast \$m
Net Surplus/(Deficit)	(0.5)	(0.8)
Add / Less non-cash expenditure / (income)		
Depreciation	0.1	0.1
Add/Less movements in working capital items:		
(Increase) / decrease in accounts receivable/prepayments	0.0	0.0
Increase / (decrease) in accounts payable and funding liabilities	(15.7)	0.8
Net Cash Flows from Operating Activities	(16.1)	0.1

The accompanying accounting policies form part of these financial statements.

