

TE MĀNGAI PĀHO
STATEMENT OF INTENT
2001 – 2002

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.

“Let the Māori language be heard on the airwaves thereby causing the heart to leap with joy, the ear to appreciate its eloquence and the eyes to moisten at its impact.”

Te Māngai Pāho

The Mouthpiece of the Airwaves

Te Māngai Pāho logo

The design embodies our mission.

“Tuhia te ha o te reo Māori ki te rangi”

The design represents the nurturing of te reo Māori. The three uprights are called Piki ki te rangi. They represent the connections between heaven and earth. The crescent shape at the base is Te Māngai Pāho – the mouthpiece which protects and nurtures. Within the crescent mouth is Te purapura – *te kakano i ruia mai i rangiatea* - the seed in the form of te reo me ona tikanga Māori. It is this act of nurturing and promotion that is important in order for the Māori language and culture to thrive.

VISION

Ahakoā ki whea,
Ahakoā āwhea
Ahakoā pēwhea

Kōrero Māori

Te Reo Māori....., everyday, everyway, everywhere.

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INTRODUCTION

In accordance with the Public Finance Act 1989, this Statement of Intent sets out the outputs that Te Māngai Pāho will deliver as agreed between the responsible Minister and the Board of Te Māngai Pāho. This statement also advises Te Māngai Pāho's service providers of the services Te Māngai Pāho will endeavour to purchase during the year in order to deliver the agreed outputs.

The statutory functions of Te Māngai Pāho are clearly set out in the Broadcasting Amendment Act 1993. Under section 53B Te Māngai Pāho is required to *promote the Māori language and Māori culture* by making funds available, on such terms and conditions, as it thinks fit, for broadcasting and the production of programmes to be broadcast.

The legislation makes it very clear that the key criterion for the funding is the degree to which a venture *promotes the Māori language and Māori culture*

Maori Language Objectives

In making purchase decisions Te Māngai Pāho will also be guided by the **Government's Māori language objectives**, which are to;

1. Increase the number of people who know the Māori language by increasing their opportunities to learn Māori,
2. Improve the proficiency levels in speaking Māori, listening to Māori, reading Māori and writing Māori,
3. Increase the opportunities to use Māori by increasing the number of situations where Māori can be used,
4. Increase the rate at which Māori language develops so that it can be used for the full range of modern activities,
5. Foster amongst Māori and non-Māori positive attitudes towards, and accurate beliefs and positive attitudes about the Māori language so that Māori-English bilingualism becomes a valued part of New Zealand society.

Te Māngai Pāho – Business Context

Māori broadcasting is a leading industry converging creativity through the Māori language and culture, and multimedia broadcasting via an array of platforms including satellite, digital, web based and radio and television media. Furthermore, these developments are pivotal to positioning Māori broadcasting in the Information Technology economy.

Te Māngai Pāho expects to become a leader in the broadcasting sector so that it may broaden transmission of Māori programmes to Māori and non-Māori audiences, and expand the arrangements with media to achieve increased broadcasting of Māori language programmes.

Regeneration of the Māori language through broadcasting is the focus of Te Māngai Pāho. Whilst Māori language radio and television are already significant forces in driving language regeneration, Te Māngai Pāho finds it increasingly difficult to achieve

these goals by its own efforts. Therefore securing the support of other agencies, industry groups and individuals is required to ensure a robust broadcasting system focused on language regeneration.

To this end, Te Māngai Pāho will extend its range of strategic alliances in order to increase the availability of Māori language programmes to listeners and viewers. This will include such initiatives as, co-purchasing of Māori projects and diversifying the range of programming available. It is Te Māngai Pāho's view that these initiatives will target the young, the Māori literate, the discerning, the interested and the dedicated.

TMP supports the establishment of a Maori Television Service and as the funder/purchaser for TV programmes, TMP will work with this service to determine programmes, agreements and in house production requirements. As such we will provide funding for programming to that network, and funding to recasting existing stocks in a meaningful and contemporary manner for that channel.

TMP, as a priority, will make funds available for the production of programmes for the Maori Television Service.

From a language planning perspective, the following advantages of broadcasting are evident.

- The existence of Māori language broadcasting contains powerful symbolic messages. Most importantly that the language is dynamic and demonstrates that te reo Māori is not trapped in history but has relevance in a modern context. Furthermore radio and television are key to disseminating and popularising new words.
- Listening to radio and watching television are major learning, community and leisure activities for a large number of the population, particularly the young. Utilising the medium of radio and television to provide programmes and activities in Māori language therefore, has important strategic relevance for Māori language regeneration.
- Māori language broadcasting provides synergies with other regeneration strategies implemented by Government and Māori. In particular for young people it provides a Māori linguistic domain outside of the education system. Currently, the main focus on language regeneration is in the education sector.
- Broadcasting provides for the extension of language domains available and as such increases the vitality of broadcasting of and in the Māori language, outside of the educational setting. A complementarity of purpose and effect.

Te Māngai Pāho will continue to focus on its purchase of Māori language programming by pursuing increases in the amount of Māori language for both television and radio.

Te Māngai Pāho will continue to strengthen working relationships with Te Puni Kōkiri, Te Taura Whiri I Te Reo Māori, the Ministry of Economic Development, the Ministry of Education, NZ On Air and other agencies involved with language regeneration, education and broadcasting.

Outcomes

The outcomes that Te Māngai Pāho seeks to achieve as a result of implementing this Statement of Intent are;

1. Positioning Māori broadcasting in the information and knowledge economy, using technology in broadcasting for language regeneration,
2. Increases in the amount of programmes broadcast in the Māori language, particularly during prime time,
3. Increases in the amount of Māori language programming that is targeted at the interests of youth,
4. Increases in the audience share of Māori listeners and viewers,
5. Increases in the range of alliances to achieve our goals.

In determining the proportions of funding allocated to different genre and target audiences, Te Māngai Pāho will continue to consult with Māori broadcasters, Māori audiences, Māori language interest groups and other Government agencies.

STATUTORY ROLE

“To promote the Māori language and Māori culture by making funds available, on such terms and conditions as Te Māngai Pāho thinks fit, for broadcasting and the production of programmes to be broadcast”.

Strategic goals

Te Māngai Pāho will achieve through its work, accountabilities and influence, the following goals for 2002 – 2006

1. LEAD IN MAORI BROADCASTING

This goal signals Te Mangai Paho's intention to assume a “leading agency” role in the field of Maori Broadcasting. Through high performance, developing influence and facilitating co-operation with key players Te Mangai Paho aims to be recognised by Government and Industry as a trusted leader in Maori Broadcasting technologies over time.

2. EXPAND CORE BUSINESS

Whilst retaining a clear primary focus on Te Reo Maori broadcasting this goal signals the intention to expand into purchasing Kaupapa Maori Broadcasting. With an absolute commitment not to diminish the resource allocated for te reo Maori programming Te Mangai Paho will seek out additional opportunities and funding for programming.

3. FOCUS ON LANGUAGE REGENERATION

Te Mangai Paho will continue to prioritise the purchasing of programmes that make the greatest contribution to regenerating Te Reo Maori. A clear focus on rangatahi programming will be maintained.

4. DEVELOP QUALITY AND CAPABILITY

Te Mangai Paho is committed to working in ways that advance Maori Broadcasting to new levels of

Growth – more broadcasting from more people via more media to more people

Quality – improving levels of contract performance, product quality, Reo Maori

Capability – lifting industry skills and confidence

Sustainability – increased levels of independence, longer terms commitments


5. WIDEN RANGE OF COMMUNICATIONS MEDIA

Te Mangai Paho will widen its focus from the traditional definition of broadcasting media (Television and Radio) to electronic communications by seeking arrangements for Internet and digital possibilities.

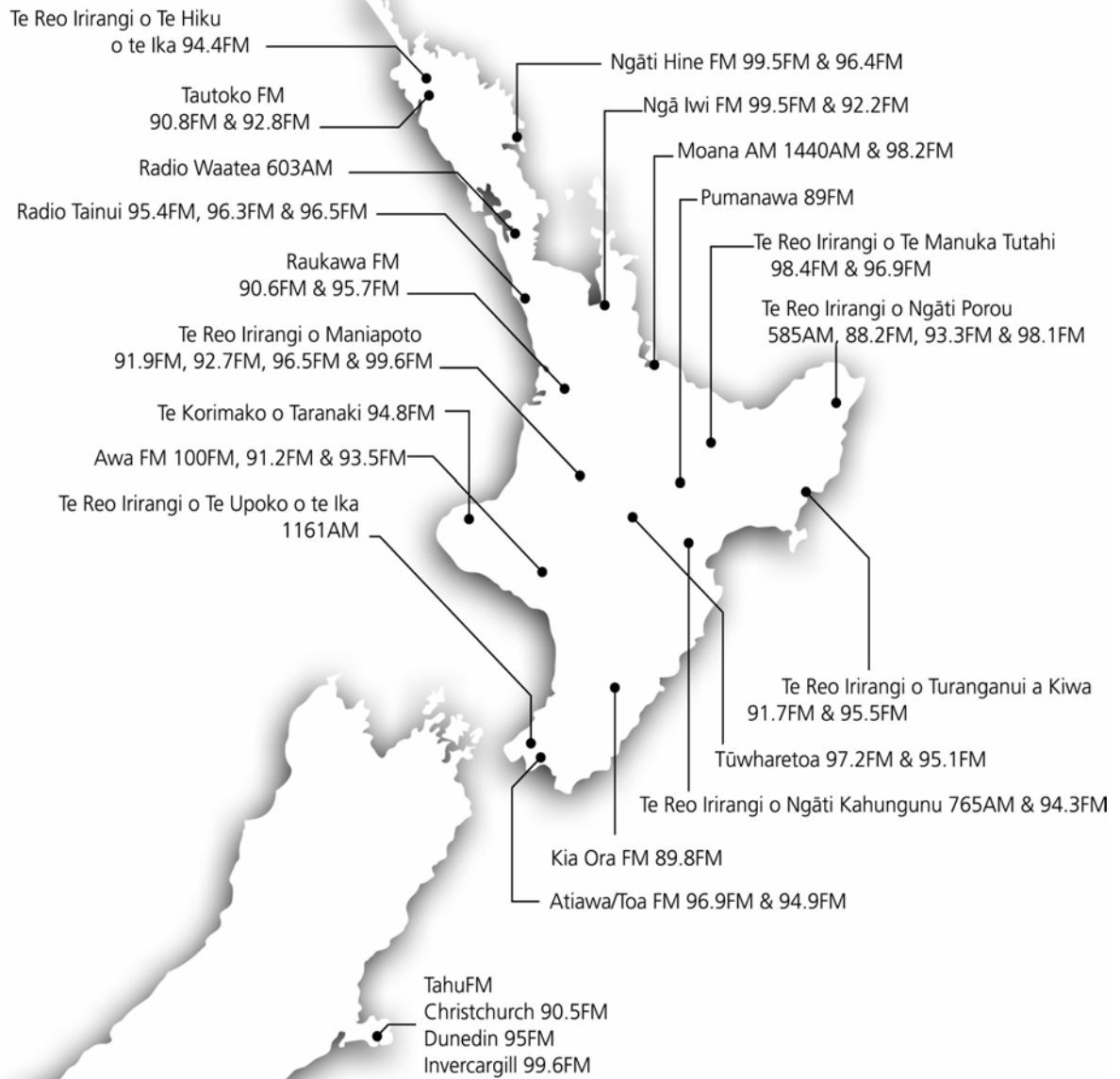
6 INNOVATIVE PRODUCT RANGE In the future Te Mangai Paho will pursue a more innovative product range. This will be achieved by securing alliances with other organisations to broaden the programme and product range.

7. FACILITATE COMMERCIAL OPPORTUNITIES

Te Mangai Paho intends, through its liaison with the Maori broadcasting industry, to explore possibilities for marketing and generating return for programming.



LOCATIONS OF MĀORI RADIO STATIONS



PURCHASE AREAS

MĀORI RADIO

Overview

The Crown's primary interest in Māori radio is the role it can play in the regeneration of the Māori language.

With careful programme planning radio has the potential to increase the interest of young people in learning the language by supporting their efforts in the formal education sector. It also has a major influence in increasing the amount of popular music in Māori, further heightening interests of rangatahi to learn Māori. Finally, it plays a major role extending the language into domains where the language has not previously been the medium of communication thereby making te reo Māori accessible by all New Zealanders.

Operational Funding

A two-tier funding approach for radio stations will be introduced in 2001/2002.

The top tier stations will receive \$320,000 per annum, for which they will be required to broadcast 6 hours of Te Reo Māori per day, and also be subject to language quality and broadcast quality monitoring.

The second tier stations will have base funding of \$240,000 per annum, an increase of \$20,000 on 2000/2001, however their minimum Te Reo Māori hours moves up from 3.5 hours to 4 hours per day. Language incentive funding will still be available to those stations if they wish to broadcast in excess of 4 hours per day. A cap of 2 paid incentive hours per day will apply.

Māori Language Incentive Funding

The purpose of Incentive funding is to provide encouragement and support to the second tier radio stations to increase the levels of Māori language they broadcast, by rewarding those stations that broadcast quantities of Māori language in excess of 4 hours per day.

Radio Distribution Service, Punga.Net

A radio distribution service has been funded by Te Māngai Pāho to enable all radio stations to obtain access to nationally produced programmes (e.g. news service) which are funded by Te Māngai Pāho. This service also enables stations to link to each other and share their own locally produced programmes.

Te Māngai Pāho has invested in an intranet based scheduling and switching distribution system referred to as **Punga.net**. It allows greater flexibility and autonomy for Māori radio stations, and also provides a platform for the future for global, world wide web based streaming of Te Reo Māori news services and other programmes to the wide travelling Māori audience nationally and internationally.

Extension of Coverage

Te Māngai Pāho is committed to providing funding to increase the extent to which Māori communities can receive Māori language broadcasts. Therefore, included among the short to medium term objectives of Te Māngai Pāho is that of access.

At present Te Māngai Pāho funded Māori radio service coverage extends to approximately 80% of the total Māori population. A review of coverage indicates there are some geographic areas receiving no coverage and areas where coverage is imperfect due to geographic conditions and technical issues. Te Māngai Pāho will be prioritising Broadcast Enhancement in these areas so that those with no present coverage and those with imperfect coverage will be ranked according to need. A formula has been developed which aids comparisons across coverage and equity issues.

The area of highest priority was the South Island. To this end the Board has already agreed to extend coverage in the South Island.

Other geographic regions where there is no coverage include:

- The region to the West of Mount Taranaki;
- The Southern Wairarapa;
- The Waikaremoana region in behind Wairoa; and
- Dargaville and its surrounding district.

There are also areas where the coverage is imperfect. These geographic regions include:

- Areas around Lake Rotorua; and
- The Wellington Region.

All these coverage areas, and others which will be identified through measurements in the field, will be investigated to ensure Māori language broadcasts are able to be received by the widest possible Māori audience in the most cost effective manner over time.

Māori language radio programmes

Te Māngai Pāho will continue to provide a significant amount of the radio funding resource to the area of programming. This funding enables high quality programming in 100% te reo Māori across a variety of genres. Formal input to the evaluation and selection of programmes to be purchased is provided by Māori radio station management.

Music

This output will also include an increased focus from prior years on the production of Māori language music CD's. Funding to enable the production of up to 13 CD albums will be made available this year.

Audience Research

Research is underway with Te Putahi a Toi – Massey University, and will provide regional audience reporting to assist stations with programming and audience

preferences. The level and demographics of audiences on a station by station, area by area basis will provide valuable feedback on station programming formats and content and Māori broadcasting outcomes.

MĀORI TELEVISION

As with Māori radio, the Crown's interest in television is the role it can play in the regeneration of the Māori language. The Crown recognises that it has an obligation under the Treaty of Waitangi to promote Māori language as a taonga. Because of the need to revitalise the language there is a strong imperative to ensure that good quality, cost effective Māori language programming goes to air on prime time television as soon as possible.

Te Māngai Pāho will work to support the establishment of a Māori Television Service, and seek to increase the prime time opportunities by funding programmes for the Maori Television Service.

The quality of programmes and the degree to which the television genre purchased revitalises te reo Māori is a focus for the year.

THREE YEAR PERFORMANCE INDICATORS

Unless otherwise stated, the time period for the following performance targets is for the year ending 30 June 2002. It is Te Māngai Pāho policy to set and review objectives and performance targets on an annual basis. However, for each of the next two financial years (until 30 June 2004) it is envisaged that, taking into account the Government's current policies, the performance targets are likely to be similar to those for the year ending 30 June 2002.

PROPOSED PURCHASE REGIME

FOR

2001 - 2002

**DEVELOPED TO INCREASE THE LEVELS
OF THE MĀORI LANGUAGE AND MĀORI CULTURE PROGRAMMING**

ON

**RADIO
&
TELEVISION**

OUTPUT CLASS

“To promote the Māori language and Māori culture by purchasing broadcasting services and programmes produced to be broadcast”

Te Māngai Pāho has only one class of output, namely the purchase of broadcasting services and programming for the purpose of the promotion of the Māori language and Māori culture.

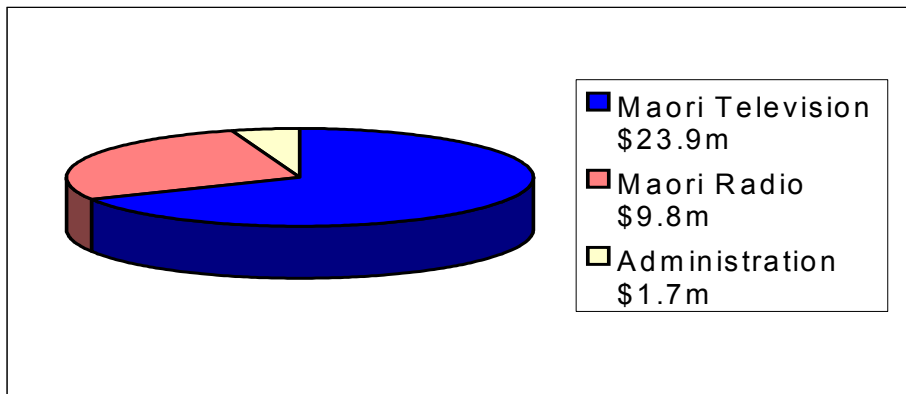
All of the activities of Te Māngai Pāho will therefore be undertaken with respect to this function. The purchase areas will include:

OUTPUTS :

- 1 - Māori Radio
- 2 - Māori Television

Unless otherwise stated, the time period for the following outputs is for the year ending 30 June 2002.

APPLICATION OF 2001/2002 FUNDING



OUTPUT 1 - MĀORI RADIO

OUTCOME

Te Māngai Pāho's purchase of broadcast time from Māori radio stations will, by the year 2004, be a minimum of 8 hours of quality Māori language broadcast per day to 95% of the Māori population.

OBJECTIVES

- To facilitate the promotion of the Māori language by purchasing broadcast time from Māori radio stations.
- To provide incentives to stations to increase their level of Māori language broadcast.
- To provide each station with 24 hour access to the Punga.net network to receive and transmit programmes from both each other and independent programme producers.
- To contract Māori broadcasting providers to provide specific programmes to be distributed to Māori radio stations via the Punga.net network.
- To make funds available to those stations wishing to extend their broadcast coverage to areas that receive no coverage from any Māori station.

DESCRIPTION

Maori Radio

In the last financial year (2000-2001), Māori radio stations completed a two-year contract period to broadcast for not less than nine hours per day, at least 3.5 hours of which had to be in te reo Māori.

For 2001-2002 a two tier system of funding radio stations will be introduced.

The top tier stations (8) are those who currently broadcast in excess of 6.0 hours per day. Those stations' funding will continue at their current all inclusive level of \$320,000 pa. However they will be subject to language and broadcast quality monitoring and review, criteria for which will be developed during the year.

The second tier stations will have an increased level of base funding of \$240,000 (up from \$220,000). However they will be required to broadcast a minimum of 4 hours per day of te reo māori (up from 3.5 hours). Incentive funding for up to a further 2 hours per day will be made available to those stations.

Incentive Funding

Stations that broadcast quantities of Māori language in excess of 4 hours per day, will be eligible to apply for incentive funding. Incentive funding will be approved annually, and will be subject to the same rigor of monitoring as that undertaken for the operational hours.

Distribution Service

Punga.Net is the internet enabled distribution system used for Māori radio stations. It enables all radio stations to obtain access to nationally produced programmes (e.g. news service) which are funded by Te Māngai Pāho. This service also enables stations to link to each other and share their own locally produced programmes.

Māori Language Programming

Quality programming in 100% Te Reo Māori will be purchased for distribution to and broadcast by the Māori station network via the Punga.Net network.

Programme purchases will specifically focus on those age groups for whom the acquisition of te reo Māori will have the greatest impact on the long term maintenance and regeneration of the language, namely the rangatahi or youth.

Audience Surveys

Research is underway with Te Putahi a Toi – Massey University, and will provide regional audience reporting to assist stations with programming and audience preferences. The level and demographics of audiences on a station by station, area by area, basis will provide valuable feedback on station programming formats and content and Maori broadcasting outcomes.

Broadcast Enhancement

Applications will be sought from Māori stations wishing to extend their broadcast coverage to new Māori audiences. Priority will be given to those stations that demonstrate that they broadcast a minimum of 5 hours per day in Māori language during their 9 Te Māngai Pāho hours and who wish to extend their broadcast into areas that currently do not have access to any Māori language broadcast. Applications will be measured against criteria and available funding, and will be subject to technical scrutiny.

Te Whakaruruhau o Ngā Reo Irirangi Māori

This group consists of representation from the Iwi radio stations networks. It assists with co-ordination within the industry and with Te Māngai Pāho. It provides input to the assessment of radio programmes for broadcasting, and other strategic projects. Formal input to Te Māngai Pāho funding decisions is provided by Te Whakaruruhau executive membership of the Radio Review Team. This body makes recommendations to the Te Māngai Pāho Board on radio station and radio programming funding matters. Further liaison with the maori radio industry is undertaken via “cluster hui” meetings with all radio station management.

PERFORMANCE INDICATORS

Quantity

Indicator	Standard
Broadcast time purchased	9 hours purchased each day from each radio station
Māori language content of purchased broadcast time	4 of the 9 broadcasting hours purchased each day are in the Māori language.
Additional hours of Māori language broadcast purchased	Up to 2 additional hours each day of Māori language broadcast, may be purchased from qualifying stations.
Compliance with both broadcast hours and Māori language content	All stations will be monitored throughout the year and the results will be analysed and reported to both the station concerned and the Board.

Purchase of nationally produced programming to be distributed to Māori radio stations via the Punga.Net network.	Programme Genre	Annual Hours
	News	396
	Sport	130
	Documentaries	130
	Current Affairs	390
	Youth / Music	780
	Archive	30
	Matua	1040
	Outside Broadcasts	360
	Total Hours	3256
	Music CD's	13 CD Albums

Quality

Indicator	Standard
The quality standards in operation include; Stations' Performance- Quarterly reports are required from all stations. Each report is analysed by management and the results are reported to both the station itself and the Board.	Feedback on each quarterly report will be provided to each station. An analysis of each of the quarterly reports will be prepared for the Board.

The following will be purchased by Te Māngai Pāho, to assist stations in achieving high quality broadcast;

• **DISTRIBUTION SERVICE -**

A distribution service (PUNGA.NET) will be available to radio stations 24 hours each day, for the purposes of sending and receiving programmes from each other and independent programme makers.

• **PROGRAMMING CO ORDINATION-**

The industry representatives, Te Whakaruruhau, will be contracted to, among other tasks, promote and facilitate greater co-ordination of existing programmes available through the Punga.Net network.

• **AUDIENCE INFORMATION -**

Funding will be available to enable 10 stations to be surveyed for the purpose of determining audience size and preferences so as to better meet audience needs.

• **PURCHASE OF NATIONALLY PRODUCED PROGRAMMING-**

Assessment of Proposals-

The quality of programmes purchased by Te Māngai Pāho is measured by a quality assurance process that ensures all proposals are evaluated by an assessment committee comprising of industry representation from Te Whakaruruhau, a Board member and Te Māngai Pāho management against a set of criteria approved by the Board.

Review and Evaluation-

- A selection of programme genre will be monitored throughout the year by a recognised Māori language authority for language quality.
- Feedback from stations on the quality of the programmes will also be gauged through the quarterly report mechanism.

Quarterly reports on the usage of the distribution service will be prepared and reported to the Board.

Performance of the organisation providing the service will be gauged from stations through the quarterly reports and all issues arising will be actioned.

Quarterly reports will be required from Te Whakaruruhau, detailing the progress against agreed objectives.

Performance of Te Whakaruruhau will be gauged from stations through the quarterly report process and reported to the Board.

The results of the audience surveys will be analysed and reported to the Board.

All programme proposals will be assessed by an assessment committee, in accordance with the approved criteria.

All proposals must then be approved by the Board.

The results of the review and evaluation will be reported to the Board and programme maker.

Location

Indicator	Standard
Broadcast Coverage Te Māngai Paho will work with stations to ensure the widest possible Māori audiences have access to Māori language broadcast.	All applications will be evaluated in accordance with the approved formula.

Cost

Indicator	Total Cost
Radio Station base operational funding	\$5,680,000
- 8 top tier stations @ \$320,000 each = \$2,560,000	
- 13 second tier stations @ \$240,000 each = \$3,120,000	
Radio Station Incentive Funding	\$440,000
Radio Station Audience Survey Funding	\$220,000
-Coverage Extension/Enhancement Funding	\$200,000
Te Whakaruruhau o Nga Reo Irirangi Inc Funding	\$60,000
APRA Fees	\$45,000
Event Broadcast Funding	\$200,000
Radio and Programme Funding	\$1,955,000
Radio Distribution Service Fee (Punga.Net)	\$500,000
Music CD Funding	\$500,000
Total for output : Māori Radio	\$9,800,000 (GST exclusive)

The total cost of this output of \$9.8m consists of funding available from the Crown Appropriation of \$9.2m, \$0.5m this year from Accumulated Reserves and \$0.1m from interest income.

OUTPUT 2 - MĀORI TELEVISION

OUTCOME

Te Māngai Pāho's purchase of Māori language programming will secure a minimum of 1.5 hours per day of prime-time presence on television for up to 75% of the Māori population by 2005.

OBJECTIVE

- To facilitate the promotion of the Māori language and Māori culture by purchasing broadcast time.
- To purchase a range of programmes in 100% te reo Māori to be broadcast on Maori Television Service.
- To promulgate alliances and co-funding for kaupapa Māori programming in both English, and also with te reo Māori content.

DESCRIPTION

Government recently confirmed arrangements for a Māori Television Service and furthermore agreed that it should go to air in early 2002.

The key objective of a Māori Television Service is to contribute to meeting the Crown's Treaty obligations, and commitments, to promote te reo Māori through the provision of a high quality, cost effective, Māori Television Service in both Māori and English, that informs, educates and entertains and in doing so reflects and enriches NZ society, culture and heritage.

Te Māngai Pāho will work to support the establishment of a Māori Television Service, and seek to increase the prime time opportunities by funding programmes for the service.

PERFORMANCE INDICATORS

Quantity

After consultation with the Māori television Service ,Te Māngai Pāho will call for specific programme proposals, and will also consider all creative ideas submitted by television producers.

	Hours	\$M (excl. GST)
Purchase of Television Programmes from TVNZ	145	4.7
Purchase of Television Programmes from other Producers	405	18.7
Purchase of TV Programme Development Proposals (10)	-	0.4
Purchase of Music Videos (10)	-	0.1
TOTAL	550	23.9

Quality

Indicator	Standard
<p>The quality standards in operation include:</p> <p>Assessment of Television Programme Proposals- The quality of programmes purchased by Te Māngai Pāho is measured by a quality assurance process that ensures all proposals are evaluated by an assessment committee comprising of industry representation, a Board member and Te Māngai Pāho management against a set of criteria approved by the Board.</p> <p>Review and Evaluation- A selection of programme genre will be monitored throughout the year for language quality by a recognised Māori language authority.</p>	<p>All programme proposals will be assessed by an assessment committee, in accordance with the approved criteria.</p> <p>All proposals will be approved by the Board.</p> <p>The results of the review and evaluation will be reported to the Board and programme maker.</p>

Location

Indicator	Standard
Broadcast	The broadcast will be available nationally, reaching 75% of the Māori population.

Cost

The total cost of this output will be \$23.9m(GST excl).
This includes funding from the Crown Appropriation of \$23.3m plus \$0.6m from interest income.

STATEMENT OF MANAGEMENT PROCEDURES FOR 2001-2002

OUTCOME

Efficient and effective administration.

OBJECTIVE

To purchase broadcasting services and Māori language programmes designed to promote the Māori language and culture.

DESCRIPTION

Te Māngai Pāho is a Crown Entity, and is governed by a range of legislation; the most important of which are the Broadcasting Act 1989 and the Public Finance Act 1989. Te Māngai Pāho derives its income from a Crown appropriation. This is then used to achieve the objective or function of Te Māngai Pāho, which is the promotion of the Māori language and culture through broadcasting. The actual administrative function of Te Māngai Pāho is funded through an appropriation separate to the appropriation for the broadcasting outputs. The administrative activities undertaken by Te Māngai Pāho within the administrative appropriation, and the accountability thereof, is as follows:

ACCOUNTABILITY

Objective

- To be accountable and transparent with all policies, decisions and performance.

Management Procedures

Te Māngai Pāho is accountable through –

- Publishing its Statement of Intent for tabling in Parliament and for issue to all interested parties, at the beginning of the financial year.
- Publishing all new funding policies and guidelines within one month of adoption and to circulate them to all interested groups.
- Communicating all funding decisions by letter to applicants and by press release (where appropriate) to the general public.
- Publishing the audited, annual report in accordance with the Public Finance Act, following the end of the financial year.
- Providing quarterly reports to the responsible Minister in accordance with the Memorandum of Understanding entered into with the Minister at the beginning of the financial year.

CONSULTATION

Objectives

- To operate an effective two-way communication process with the responsible Minister, Māori broadcasters and programme producers, transmission suppliers, and other service providers;
- To assess the needs of Māori broadcasters and programme producers through both research and consultation;

Management Procedures

Both formal and informal consultation will take place with –

- Māori broadcasters,
- Māori language interest groups,
- Māori audiences and
- Other Government agencies,

in accordance with section 53C of the Broadcasting Act 1989, in order to seek advice on the most appropriate way to promote the Māori language and Māori culture through broadcasting. Formal consultation will incorporate an annual hui to be held in October of each year, as well as regular, scheduled meetings with Māori industry representatives. Informal consultation will occur as a matter of day to day operations. Where it is identified that information will enhance Te Māngai Pāho outcomes, research will be commissioned and undertaken throughout the financial year.

BROADCASTING SERVICE AND PROGRAMME PURCHASE

The purchase of both broadcasting services and programmes involves the following processes:

- DEVELOPING POLICIES

Te Māngai Pāho will develop policies based on the requirements of the Broadcasting Act, the Crown's objectives for Māori broadcasting, the Crown's Māori Language Strategy, the Crown's requirement for a Maori Television Service and the outcomes of the consultation and communication with interested parties. Te Māngai Pāho will have regard to the practicalities of the broadcasting industry as a whole, and Māori broadcasting in particular, in formulating those policies.

The policies will be focused on the regeneration of te reo Māori through broadcasting, Te Māngai Pāho will also monitor the effect of its policies in the Māori broadcasting industry and where deemed necessary, modify its policies to accommodate any changes.

- **MAKING PURCHASE DECISIONS**

All purchase decisions made by the Board will be in accordance with the approved policies (detailed in the Request for proposals - RFP's).

Purchase decisions will also be reviewed at regular intervals, (at a minimum annually), to ensure they are meeting their intended needs.

All completed applications received by Te Māngai Pāho by the published deadlines will be considered by the Board within one month following the deadline.

All purchase decisions made by the Board will be in accordance with the provisions of the Broadcasting Act and Te Māngai Pāho policies.

Te Māngai Pāho will notify all applicants by letter as soon as practicable and by press release where appropriate to the general public.

- **Effective Contract Management**

Contracts will be effected for all successful applicants. Contracts will also be entered into to provide a range of broadcasting services to Te Māngai Pāho.

The type and anticipated quantity of contracts managed by Te Māngai Pāho over the course of the financial year is:

Broadcasting Services	Expected number of Contracts for 2001/2002
Radio –	
Operational and Incentive	21
Survey funding	2
Distribution service	2
Broadcast Enhancement	10
Te Whakaruruhau	1
Programming	20
Music CD's	13
Television –	
Programming	55
Music Video's	10

- MONITORING

Te Māngai Pāho has developed procedures relating to the monitoring of contracts to ensure that contractual obligations are being met. These procedures include a mix of self-monitoring by the recipient, external monitoring by an independent third party and internal monitoring by Te Māngai Pāho staff and Management.

Internal monitoring by Te Māngai Pāho will include the receipt and analysis of production reports, financial statements and audience surveys. Te Māngai Pāho will also review tapes of programmes for both production value and language content against the contracted requirements.

External monitors will be engaged to work on projects that are outside the expertise of Te Māngai Pāho staff and Management. These monitors will undertake such projects as audience surveys and language content.

A temporary capacity increase is budgeted for 2001/2002 to meet substantially increased TV/Radio industry consultation for the upcoming year, increased TV & Radio audience evaluations (surveys and focus groups), increased programme assessments (language quality) and enhanced contract management systems.

This increased spend is limited to the 2001/2002 year only, as it is funded through the use of excess Reserves which have built up predominantly through prior years accumulated interest income.

COST

Administration costs including accountability, consultation, programming assessments, and contract management will be **\$1,707,000**.

This includes funding from the Crown Appropriation of \$1.15m, which is unchanged from previous years, and \$0.55m from Reserves as explained above.

STATEMENT OF ACCOUNTING POLICIES

1.0 Reporting Entity

Te Māngai Pāho is a Crown Entity established under the Broadcasting Act 1989.

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

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

2.0 Measurement Base

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

3.0 Accounting Policies

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

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.

Revenue

Revenue is received from an appropriation by the Crown, and from investments. Such revenue is recognised as it falls due and is reported in the financial period to which it relates.

Taxation

1. 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 53O of the Broadcasting Amendment Act 1993.

2. Goods and Services Tax

Te Māngai Pāho is a registered trader for GST purposes and is liable for GST on all goods and services supplied. 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, as appropriate.

3. Fringe Benefit Tax

Fringe Benefit Tax is payable on all fringe benefits.

Accounts Receivable

Accounts Receivable are valued at expected realisable value.

Cash, Bank and Investments

Cash, Bank and Investments are recorded at cost.

Fixed Assets

Fixed Assets are recorded at cost less depreciation to date. The following rates have been applied on a straight-line basis with a nil residual value:

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

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 writing. 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.

Financial Instruments

Te Māngai Pāho is party to financial instruments as part of its normal operations. These financial instruments include cash and bank, investments, 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.

Employee Entitlement

Provision is made in respect of Te Māngai Pāho's liability for annual leave. The annual leave has been calculated on an actual entitlement basis at current rates of pay.

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 in the periods in which they are incurred.

Commitments

Future payments are disclosed as commitments at the point a contractual obligation arises, to the extent that they are equally unperformed obligations. Commitments relating to employment contracts are not disclosed.

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 cash received from all income sources of Te Māngai Pāho and records the cash payments made for the supply of goods and services.

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

Financing activities comprise the change in equity and debt capital structure of Te Māngai Pāho.

Changes in Accounting Policies

There have been no changes in accounting policies since the date of the last audited financial statements. The policies have been applied on a basis consistent with other years.

STATEMENT OF FINANCIAL PERFORMANCE FOR THE FOUR YEARS ENDING 30 JUNE 2004
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	2000/01	2001/02	2002/03	2003/2004
	(\$millions) F'cast	(\$millions) Budget	(\$millions) Budget	(\$millions) Budget
INCOME				
Crown appropriation	27.4	33.6	37.5	44.1
Other income	0.8	0	0	0
Interest from investments	1.1	0.8	0.8	0.8
	<hr/>	<hr/>	<hr/>	<hr/>
Total Income	29.3	34.4	38.3	44.9
Deduct FUNDING EXPENDITURE				
Television	17.3	23.9	27.6	34.2
Radio	10.3	9.8	9.5	9.5
	<hr/>	<hr/>	<hr/>	<hr/>
Total funding expenditure	27.6	33.7	37.1	43.7
Deduct ADMINISTRATION EXPENSES	1.2	*1.7	1.2	1.2
	<hr/>	<hr/>	<hr/>	<hr/>
SURPLUS/(DEFICIT) FOR THE YEAR	0.5	(1.0)	0.0	0.0

*1

The increase for this year is a one off lift in administrative capacity of \$553,000, which is funded through the use of excess accumulated reserves, and not through an increase in the Crown Appropriation.

The above statement should be read in conjunction with the Statement of Accounting Policies on pages 28 to 30. The above figures are GST exclusive.

STATEMENT OF FINANCIAL POSITION FORECAST AS AT 30 JUNE 2001 and 2002

	30/6/01	30/6/02
	(\$millions) Forecast	(\$millions) Budget
PUBLIC EQUITY		
Opening equity 1 July	1.0	1.5
Add surplus/(deficit)	0.5	(1.0)
Closing equity 30 June	1.5	0.5
Represented by		
 CURRENT ASSETS		
Cash, bank and short term deposits	12.0	8.4
Receivables	0.5	0.1
TOTAL CURRENT ASSETS	12.5	8.5
CURRENT LIABILITIES		
Accounts payable	0.2	0.3
Funding liabilities	11.0	8.0
TOTAL CURRENT LIABILITIES	11.2	8.3
WORKING CAPITAL	1.3	0.2
 FIXED ASSETS	0.2	0.3
NET ASSETS EMPLOYED	1.5	0.5

The above statement should be read in conjunction with the Statement of Accounting Policies on pages 28 to 30. The above figures are GST exclusive.

STATEMENT OF CASH FLOW FORECASTS FOR THE YEARS ENDING 30 JUNE 2001 and 2002
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	30/6/01 (\$millions) Forecast	30/6/02 (\$millions) Budget
Cash flows from operating activities		
<i>Cash provided from -</i>		
Crown Appropriation	27.4	33.6
Other income received	1.9	0.8
<i>Cash applied to -</i>		
Funding expenditure	30.4	36.6
Administration expenditure	1.2	1.7
GST (net)	0.4	(0.4)
Capital expenditure	-	0.1
Net cash inflows from operating activities	(2.7)	(3.6)
Net increase/(decrease) in cash held	(2.7)	(3.6)
Opening cash as at 1 July	14.6	12.0
Closing cash as at 30 June	12.0	8.4

The above statement should be read in conjunction with the Statement of Accounting Policies on pages 28 to 30. The above figures are GST exclusive.

DIRECTORY

BOARD MEMBERS

TOBY CURTIS	Chair, Te Arawa
BILL NATHAN	Deputy Chair Te Atiawa
FRANK SOLOMON	Ngāti Kahu, Ngāti Porou
FIONA WILSON	Ngāti Raukawa, Ngati Tukorehe, Ngai Tahu, Muaupoko, Rangitane.
JOANNA PAUL	Ngai te Rangi

STAFF

TREVOR MOEKE	Chief Executive Ngāti Porou, Ngāti Kahungunu, Ngāti Awa
GERALDINE GRAY	Executive Assistant Muaupoko, Ngāti Raukawa, Ngati Kahungunu
DON COLLIER	Finance and Administration Manager Ngāti Porou, Ngāti Kahungunu, Rongomaiwahine.
FELICITY STACEY CLARK	Television Manager
TAME TE RANGI	Radio Manager Ngā Puhi
CARL GOLDSMITH	Monitoring Analyst Ngāti Porou, Ngāti Kahungunu.
KAY DAVIS	Accountant
SIAN ROBERTS	Receptionist Ngāti Porou, Ngā Puhi, Taranaki, Maniapoto

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Auditors

Audit New Zealand

Lawyers

Simpson Grierson