



TE MĀNGAI PĀHO – ANNUAL REPORT 2008

FOR THE YEAR ENDED 30 JUNE 2008

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Te Māngai Pāho Annual Report 2007/08



The Mouthpiece of the Airwaves

The design embodies our mission

“Tuhia te hā 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 kākano i ruia mai i Rangiatea**

– the seed in the form of te reo me ōna tikanga Māori.

It is this act of nurturing and promotion that is important

In order for the Māori language and culture to thrive

Vision Statement

Ahakoā kei whea,
Ahakoā āwhea,
Ahakoā pēwhea,
Kōrero Māori!

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

Mission Statement

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.

Statutory Role

1. The primary function of Te Reo Whakapuaki Irirangi [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 Reo Whakapuaki Irirangi [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.

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Chair's Introduction

Kia ora mai anō koutou katoa

Ki ngā mate me ngā aitua, haere koutou, hoki atu ki Hawaiiki nui, Hawaiiki roa, Hawaiiki pāmamao ki te hono ki te wairua.

Ki ngā mea o tātou i hikoingia mai e tātou te huarahi mō te reo Māori me te ao Māori me te tari o Te Māngai Pāho o tēnei tau.

Ngā mihi nui kia koutou.

Puritia te mana me te wairua o tō tātou reo

E ora tonu ai mō ake tonu atu.

Tihei mauri ora!

The events of the past year have given us cause to look back with pride, to chart our direction with confidence, and to look forward with resolve to the future.

This year, in May 2008, we celebrated the very significant milestone of having funded over 500,000 hours of Māori language programming in the fifteen years since Te Māngai Pāho was established. In doing so, we have helped to secure a Māori presence throughout this time in the sounds and pictures reflected back to us through broadcasting.

Those who laid the foundations for this achievement had the single minded desire to use, see and hear te reo Māori as the rich and living language it is. One of these early pioneers was the Māori Womens' Welfare League whose first policy statement written in 1951 in te reo Māori expressed the organisation's desire to ensure the survival of the language in the home and to see it as part of the curriculum of schools and training colleges.

Many years later, as a result of the successful WAI 11 claim, the Māori Language Act 1987 was passed into law with te reo Māori being recognised as an official language of New Zealand.

Of even greater significance however, is that the 500,000 hours represent an abiding belief in, and passion for te reo Māori. It was this passion and belief that spurred on the early language pioneers

to nurture initiatives like the kohanga reo and kura kaupapa movements and other revitalisation initiatives such as kapa haka competitions and measures to foster local dialects.

In today's commercially-driven world, it is perhaps too easy to forget that this achievement was founded and ignited by people who asked for nothing, who sought neither fame nor fortune and whose only desire was to use, see and hear te reo Māori.

Progress is being made. Recent studies show that the health of the Māori language is characterised by its growing use in the key domains of the home and school. This is happening through the intergenerational transmission of language *between generations*, (for example, between adults and children) and at the marae, in the community and church through intragenerational transmission *within* generations, for example, between colleagues, friends and siblings. Access to these key domains through television and radio enables the Māori broadcasting sector to play an important role in the revitalisation of te reo Māori and Māori culture.

Language maintenance, development, revitalisation and perpetuation are the goals we share with many peoples around the globe. UNESCO is celebrating 2008 as the *International Year of Languages* and has adopted the whakatauākī "Languages matter!" UNESCO states that "languages lie at the heart of all social, economic and cultural life" and where communities use their first language or mother tongue as widely and as often as possible, cultural development goes hand in hand. This recognises the crucial importance of language and its strategic value in forging harmonious relationships between the peoples of the world.

UNESCO has emphasised the importance of fostering respect for all languages, their promotion and protection and has suggested a three-fold approach to help achieve this: representation in government, education and exposure through the media. Fifty

percent, or around 3,000 languages spoken in the world today, face extinction, and many do not have this representation in any of these three spheres.

In this country, there are many people and agencies in the Māori language sector working across all three areas, and the role and function of Te Māngai Pāho can be seen in this context. The funding made available provides significant and meaningful representation of Māori language and Māori culture in the television and radio media here in Aotearoa - New Zealand.

Furthermore, we are required to consider, (among other factors), the needs and preferences of children participating in te reo Māori immersion education and all others learning te reo Māori. Many languages around the world are endangered because they are no longer being acquired by children.

For our part, we have experienced an unprecedented demand for Māori language programmes, and this signals an increasing appetite for Māori content, from the listeners of iwi radio, audiences, from programme producers wanting to make programmes and also from broadcasters wanting to commission programmes. Māori Television has become firmly established with a growing New Zealand viewership in the short time it has been on air, and audience reach for TVNZ's iconic Māori programmes also continues to grow. There are now more opportunities for te reo Māori and kaupapa Māori television programmes to be seen on screen with new digital channels launched by TVNZ and Māori Television's Te Reo channel on the Freeview platform.

These developments mean that it is very timely that the government this year enacted new statutory functions for Te Māngai Pāho (and NZ On Air) for digital content programming and audiovisual archiving. The benefits of the new technologies and the digital environment will enhance audience access to programming and we look forward to this next phase of growth and development of the sector.

This year Te Puni Kōkiri launched the Māori Broadcasting and e-Media Outcomes Framework, Te Ao Pāpāho Māori. The Outcomes Framework sets out the high level outcomes of the Framework to capture the long term aspirations of Māori for Māori broadcasting. Through consultation with the Māori broadcasting sector and government, the high level outcomes are:

- contribution to increased language proficiency and or use, particularly in the home;
- support for Māori to participate in the ICT industries and contribute to growing innovative and entrepreneurial communities;
- contribution to the Māori language and culture being valued as an integral part of New Zealand's national identity.

These are supported by the intermediate outcomes of *access* through a range of media; *quality* to attract and retain audiences; and *focus* on Māori language and Māori culture. Te Māngai Pāho is committed to working towards these goals.

We believe that the signs for the future of te reo Māori are encouraging. There is still much work to be done to ensure its revitalisation and safety. The challenge for us is to work with our stakeholders and sister agencies to realise the aspirations of the frameworks and strategies developed. We will aim to lay secure foundations for our tamariki and mokopuna so that they can live, learn and support te reo Māori and Māori culture in their lives and in the digital world that they will inhabit in the future.

We look forward to meeting the challenges of maintaining the language and cultural values unique to our country and which stamp our sense of national identity in a global environment. In this way the Māori broadcasting sector will help provide a response to Dame Whina Cooper's challenge "...that our tradition and culture not be lost to us."

We are fortunate to have a committed team to carry out our work. During the year we were pleased to welcome Gina Rangi and Reverend Maurice Gray on to the Board and also the mix of skills they bring to our agency. At the end of the year, Herewini Te Koha stepped down from the Board, ending a five year association with Te Māngai Pāho. Herewini has been variously Board Advisor, Interim Chief Executive and more recently, a Board member. He has made a significant contribution to Te Māngai Pāho and the Board and management would like to record their appreciation for the role he has played. As Chair, I have valued working with the members of the Board, both sitting and new, over the past year and thank them all for their continued support and commitment.

On behalf of the Board, I wish to express my appreciation to the management of Te Māngai Pāho and to thank all our stakeholders in government and the broadcasting industry - I acknowledge the important roles that you all play in contributing to the work of Te Māngai Pāho and look forward to our future endeavours together.

"Tuhia te hā o te reo Māori ki te rangi"

Nāku noa, nā


Jacqueline Te Kani CNZM
Chair

Chief Executive's Report

Tēnā koutou katoa

I am pleased to present Te Māngai Pāho's Annual Report for 2008.

A highlight of the past financial year was the celebration of the accumulated volume of achievements in Māori broadcasting from the past to the present. In the background, we have continued to prepare the way for continued sustainability of the sector. We set out to ensure that we would work in a way that would consolidate the gains made in Māori broadcasting, and to establish a base and strategy for capitalising on the increased profile of the Māori language. We wanted to ensure that our funding interventions would continue to attract and meet the needs of our audiences, to continue our work on ways to demonstrate social impact, to absorb and implement sector policy changes and also to be able to adapt to technological change.

Overview

As we take stock of the year, it becomes apparent that a number of changes in the broadcasting landscape have been emerging. While some of these may pose challenges for our agency, nonetheless, in a wider sense, these changes ultimately can be seen as positive developments.

A key change we have seen has been the increasing competition not just amongst programme producers, but also amongst broadcasters for Māori themed programming. This could be seen as the direct result of an increasing appetite for Māori programming. While this is in line with our ultimate objective, it makes the competition for our funding increasingly fierce. The approach taken by Māori Television has shown that audiences will seek out public value television and there is a strong following for quality niche programming.

In the space of a year, it is possible to say that there is now a greater momentum of change in the way that audiences are accessing programme content. Radio and television programming is now being delivered over a number of different platforms, stored, accessed and time shifted to suit audiences. This brings into sharper

relief the need to think about new dimensions of programming, such as adding podcasts and streaming on the internet, content for mobile phones, and the provision of websites to further capture audiences. In March 2008, the Broadcasting Amendment Act gave Te Māngai Pāho and New Zealand On Air the ability to fund digital content in recognition of these changes.

There are also a number of other changes on the horizon, including a review of the Māori Language Strategy, the review of the Māori Television Service Act and the Regulatory Review of Digital Broadcasting.

There are positive changes imminent in iwi radio. The upgrade of the iwi radio network's Punga.net distribution system was implemented this year and once completed, will greatly improve the stations' capacity. Enhanced features will include audio on demand, greater programme sharing between the iwi radio network, improved telecommunications and improved broadcast quality.

As always, Te Māngai Pāho remains focused on its statutory role to promote te reo Māori and Māori culture and to make these taonga accessible to all New Zealanders.

In 2007/08 we have:

- assessed and refined our programme funding approach, centred around Māori language and learners, for both Māori television and radio;
- sought Māori language sector and broadcasting industry input and support for enhancements to language quantity and quality measures for Māori language broadcasting;
- continued to work collaboratively with other entities to establish targets for Māori Language Strategy outcomes and research and evaluation mechanisms for measuring progress towards Māori language outcomes achieved through broadcasting;
- considered our response to facilitating public access to and the retention of our funded programmes.

During 2007/08 we reviewed our Purchase and Funding Framework

which sets out our programming requirements. This has resulted in us retaining our approach but amending the resource allocations within the Purchase and Funding Framework for 2008/09 and beyond. In the future we will increase our focus on higher Māori language content programming.

Our Framework is centred around Māori language and culture and our required interventions. It specifies the categories of Māori language - from fluent speakers to learners, to receptive audiences – as well as the cultural content that 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 that will gain a positive commitment from radio and television broadcasters.

Television – specific

During the year we have:

- updated our funding principles and strategies for implementation in 2008/09;
- worked with Māori television industry representatives to assess the impact of free to air digital television on our medium term planning.

Radio – specific

During the year we have:

- implemented with Te Whakaruruhau o Ngā Reo Irirangi Māori and the iwi stations, measures to address the long term maintenance of broadcasting capability;
- deferred completion of a post implementation assessment of the project to upgrade all iwi radio stations to a digital studio environment as four stations had yet to complete their upgrades at 30 June 2008.

Capability

Te Māngai Pāho's capability needs continue to evolve in line with the Māori broadcasting sector and the government's Māori language objectives.

In 2007/08, we:

- continued to work on the development of a cost effective evaluation approach, which we will continue to refine during 2008/09 to enable us to evaluate the impact of our broadcasting interventions and strategies on Māori language and Māori cultural outcomes;
- reviewed and refined our Funding Framework, placing additional emphasis on programmes targeted at fluent and second language learners. We have noted that a large portion of receptive viewers also watch high language content programmes when they are provided with sub-titles. Therefore by making targeted use of sub-titles we will aim to provide programming that serves fluent speakers and at the same time is of interest to a broad audience;
- developed our understanding of how the programme proposals we receive promote Māori language and culture and required Request for Proposal responses to indicate the quantity of Māori language and culture involved in each proposal;

- reviewed and refined our contract monitoring systems and procedures.

Te Māngai Pāho Good Employer Obligations

As a Good Employer, Te Māngai Pāho continued to support and promote equal employment opportunities for all people. Our size made it easy for us to engage with staff and we did this using a variety of formal and informal channels to ensure a direct and inclusive decision-making approach.

At the beginning of the year Te Māngai Pāho published its workplace profile in its Statement of Intent. Information was provided on the gender, ethnicity (Māori – non-Māori), age and disability profile as well as the job-based characteristics of the work place. Our workplace profile shows that although relatively small, Te Māngai Pāho employs a diverse staff.

During 2007/08 we commenced a review of our personnel policies and procedures to ensure that they did not discriminate against any individuals.

We also developed a 'Children in the workplace' policy, which complements our other flexible workplace practices, whereby we support staff working from home, working part-time, taking leave to care for sick children and other dependants and taking leave during school holidays.

From a recruitment perspective, we re-confirmed the expectation that all of our vacancies are advertised in mainstream as well as Māori specific media and utilise selection panels that are balanced from an internal/external, gender and English/Māori language proficiency perspective.

Te Māngai Pāho maintains equitable gender-neutral remuneration policies that are periodically tested against the market for external parity.

During the year we reviewed our harassment and bullying prevention policy and as a result we have re-affirmed the need for timely responses to initial complaints and effective escalation processes in this area.

A safe and healthy work environment is promoted by measures that include a well resourced civil defence emergency kit and staff being encouraged to take or update their first aid training. Annual eye tests, influenza vaccinations and an ongoing Employee Assistance Programme (EAP) are all available to staff, if required.

Comment on our key purchase areas follows.

Kia ora



John Bishara
Chief Executive

Māori Television Broadcasting

Altogether this year, Te Māngai Pāho has contracted for the production of 1,317.5 hours of television, just ahead of our targets and at an average per hour cost that is slightly below our forecast. This volume of production came from Māori Television, TVNZ and the independent production sector. This shows the industry continues to deliver quality programming at very modest rates.

This commitment to quality is also demonstrated by a number of our funded programmes being nominated for industry awards during the year and also some outstanding programmes being recognised, including *Marae DIY*, *Waka Reo*, *Kōrero Ki Ngā Kararehe*, Māori Television's 2007 ANZAC Day coverage, and *Takatāpui*.

Māori Television celebrated the fourth anniversary of its launch in March 2008 and the channel is now accepted as a permanent and welcome addition to the nation's stable of broadcasters. Māori Television continues to demonstrate a commitment to innovative programming and public value broadcasting.

We also continue to value the well established presence of Māori programming on TVNZ and TV3.

TVNZ's iconic programmes *Te Karere*, *Marae* and *Waka Huia* mark a long tradition of Māori broadcasting by this public broadcaster.

Waka Huia which first began at the end of 1986 celebrated twenty years with production of its 800th show at the end of 2007.

Youth focused programmes such as *Pūkana* on Māori Television and *Tū Te Puehu* on TV3 continue to attract good audiences.

There is a significant demand for our limited funding and members of the independent production sector continue to deliver quality programmes and programme proposals. We acknowledge their professionalism and their commitment in a difficult environment.

Māori Radio Broadcasting

The twenty-one iwi radio stations deliver a minimum eight hours of Māori language each day, seven days a week.

We have also secured Māori language programming for distribution to the iwi stations through the Punga.net network by a contestable funding process.

Towards the end of the year, Te Māngai Pāho commenced a major project to replace the existing Punga.net switch (the radio network distribution system), with a new network, Punga.net2. The need for the new system was driven both by Telecom's scheduled withdrawal from service of the DDS circuits upon which the network runs and also the existing system having surpassed its expected useful life.

Māori Language Music

During the year, Te Māngai Pāho funded ten CD singles and six CD albums, as planned, across a range of music styles for various audiences.

Māori music is another exciting part of the language and cultural dimension. Today, it retains a distinctive Māori quality within a modern, contemporary expression that is part of the legacy of the early recording Māori artists. We will continue to support Māori artists in order to promote te reo Māori and kaupapa Māori in music.

Administration of Māori Broadcasting

During the year, we managed 246 contracts to completion and secured audience survey information for radio and television measuring audience response to our funded programmes.

Upon the expiry of our lease at PSIS Investment House, Te Māngai Pāho shifted to new premises at Eagle Technology House, Victoria Street, Wellington in April 2008. The shift and fit-out proceeded smoothly.

We upgraded our legislative compliance system to an on-line IT based system.

We have introduced International Financial Reporting Standards for the financial year ended 30 June 2008, liaising with similar agencies for approaches and resolution to common issues.

Peak workloads have been addressed by the use of contract and temporary staff as required. With a number of projects and challenges during the year, our staff have remained very committed to ensuring that our systems and processes have continued to function as seamlessly as possible.

Te Māngai Pāho has implemented Māori Language Plans for programming proposals. These were developed in association with Te Taura Whiri i te Reo Māori (the Māori Language Commission), Māori Television and Ngā Aho Whakaari to strengthen Māori language in broadcasting productions.

To assist with inter sector co-ordination, Te Māngai Pāho has participated in screen sector and Māori language sector inter-agency forums, as well as direct liaison with agencies with which we share a common interest, including Te Taura Whiri i te Reo Māori, Māori Television, TVNZ, New Zealand On Air, the Film Commission and Te Puni Kōkiri.

FUNDING

For the year ended 30 June 2008

Television

Māori Television Service

Direct Funding	\$16,120,000
Sub-Total Māori Television Service	\$16,120,000

Contestable Television Programme Funding

Programme	Producer	Genre	BC	EPISODES X DURATION	FUNDING
Fluent Speakers					
Mōteatea, series 5	Raukatauri Productions Ltd	Educational	MTS	13 x 26 mins	\$234,000
The Stories of Maui	Rumpus Productions Ltd	Whānau	MTS	6 x 5 mins	\$53,097
E Tū Kahikatea	Te Noni Ltd	Documentary	MTS	6 x 26 mins	\$150,000
Malaysian Memories Tour 2007	Tawharau Media Productions Ltd	Documentary	MTS	2 x 52 mins	\$150,000
Te Taonga o Tāku Ngākau	Māori And Indigenous Analysis Ltd	Documentary	MTS	1 x 52 min	\$79,820
Māta Hou	Māta-Hou Ltd	Documentary	MTS	6 x 52 mins	\$251,521
Pūkana 2008	Cinco Cine Film Productions Ltd	Tamariki	MTS	52 x 52 mins	\$1,801,590
52 hours Animation Dubbing	Kiwa Media Ltd	Tamariki	MTS	104 x 26 mins	\$500,000
Te Hau Kāinga, series 2	Karu Productions Ltd	Documentary	MTS	6 x 26 mins	\$150,000
Te Pae Ngatoro	Awekura Productions Ltd	Documentary	MTS	1 x 52 min	\$80,471
Tāku Whānau	George Andrews Productions Ltd	Documentary	MTS	6 x 26 mins	\$169,353
Miharo, series 2	Tūmanako Productions Ltd	Tamariki	MTS	25 x 26 mins	\$624,326
Classic Comedy Reversioning	Kina Creative Ltd	Entertainment	MTS	13 x 26 mins	\$130,009
Kōrero Ki Ngā Kararehe, series 2	Kōrero Ki Ngā Kararehe Ltd	Tamariki	MTS	30 x 26 mins	\$805,055
Ka Haku Au	Maramena Ltd	Documentary	MTS	1 x 52 min	\$145,006
Te Karere	TVNZ	News	TVNZ	262 x 15 mins	\$2,294,260
Waka Huia	TVNZ	Current Affairs	TVNZ	20 x 44 mins	\$772,446
				Total	\$8,390,954

Second Language Learners

Te Hikoi Māhanga, series 3	Toa TV Ltd	Magazine	MTS	13 x 26 mins	\$287,902
Ka Tipu Te Whaihanga E Hika	Stan'Strong Ltd	Documentary	MTS	1 x 52 min	\$97,812
Ngā Waiata o te iwi	C4 Productions Ltd	Entertainment	MTS	6 x 26 mins	\$144,000
T.O.A - Tauria o Aotearoa, series 2	Maui Productions Ltd	Lifestyle	MTS	13 x 26 mins	\$283,809
Warrant of Fitness, series 4	Faultline Films Ltd	Magazine	MTS	13 x 26 mins	\$305,149
Kiwi Maara 2008, series 5	White Gloves Television Productions Ltd	Entertainment	MTS	26 x 26 mins	\$585,000
Ngāti NRL, series 6	ButoBase Ltd	Magazine	MTS	13 x 26 mins	\$347,894
Tāmaiti	Scottie Douglas Productions Ltd	Whānau	MTS	26 x 26 mins	\$585,974
Kai Time on the Road, series 6	Maui Productions Ltd	Lifestyle	MTS	26 x 26 mins	\$519,931
Ka Pai Masala	Dreamz Productions Ltd	Comedy	MTS	1 x 26 min	\$40,000
Takatāpui, series 6	Front of the Box Productions Ltd	Magazine	MTS	20 x 26 min	\$460,000
Tū Te Puehu, series 8	Aratai Film & TV Productions Ltd	Rangatahi	TV 3	20 x 26 min	\$250,000
Hunting Aotearoa, series 3	Hikoi NZ Ltd	Entertainment	MTS	13 x 26 mins	\$340,900
He Koha Mō Bob Marley	Toa TV Ltd	Documentary	MTS	1 x 52 min	\$110,000
Miss Kihī Hei Arero	Front of the Box Productions Ltd	Rangatahi	MTS	13 x 26 mins	\$260,000
Marae DIY	Screentime Ltd	Entertainment	MTS	7 x 52 mins	\$560,051
Kaihoe Wāhine	ButoBase Ltd	Documentary	MTS	7 x 26 min	\$145,000
Tōku Reo	Kura Productions Ltd	Educational	MTS	100 x 26 mins	\$987,677
The New Migration	Production Shed. TV Ltd	Documentary	MTS	6 x 26 mins	\$180,000
Ngāti NRL, series 7	ButoBase Ltd	Magazine	MTS	13 x 26 mins	\$363,516
Tātai Hono, series 4	Blue Bach Productions Ltd	Documentary	MTS	6 x 26 mins	\$194,876
Meke My Waka, series 3	Ratahi Productions Ltd	Magazine	MTS	13 x 26 mins	\$351,000
Matatini i Roto i Te Moana	Dreamfish Productions Ltd	Documentary	MTS	1 x 52 min	\$90,000
Whatukura, series 3	Maui Productions Ltd	Magazine	MTS	50 x 26 min	\$391,967
				Total	\$7,882,458

Programme	Producer	Genre	BC	EPISODES X DURATION	FUNDING
Receptive Audiences					
Children of the Revolution	Front of the Box Productions Ltd	Documentary	MTS	1 x 52 min	\$84,975
Ngāti Tūmataunga	Adrenalin Ltd	Lifestyle	MTS	13 x 26 mins	\$277,155
Barry Barclay: Camera on the Shore	Anne Keating Agency Ltd	Documentary	MTS	1 x 52 min	\$93,401
Edward Taihakurei Durie	Production Shed TV Ltd	Documentary	MTS	1 x 52 min	\$89,464
Tangaroa with Pio, series 4	AKA Productions Ltd	Entertainment	MTS	13 x 26 mins	\$325,000
He Wai Nō Nehe - Let My Whakapapa Speak	Conbrio Media Ltd	Documentary	MTS	1 x 78 min	\$100,000
The Stage of Origin	Brendon Butt Productions Ltd	Entertainment	MTS	1 x 78 min	\$59,367
Kani Krew	AKA Productions Ltd	Documentary	MTS	1 x 52 min	\$110,000
Kaitangata Twitch	Production Shed. TV Ltd	Development	MTS	-	\$40,350
Whānau, series 2	Cinco Cine Film Productions Ltd	Educational	TVNZ	78 x 6 mins	\$480,869
Rain of the Children	Forward Films Ltd	Drama	MTS	1 x 95 min	\$160,722
Waka Reo, series 4	Ngāi Tahu Communications Ltd	Educational	MTS	7 x 26 min	\$266,000
Kete Aronui, series 6	Kiwa Media Ltd	Magazine	MTS	13 x 26 mins	\$260,000
It's in the Bag	Blue Bach Productions Ltd	Entertainment	MTS	13 x 26 mins	\$536,974
Whare Raupo - 100 years of Reed Publishing	Brendon Butt Productions Ltd	Documentary	MTS	1 x 52 min	\$93,469
ANZAC Day 2008	Māori Television	Documentary	MTS	15 hours	\$500,000
Kōrero Mai, series 6	Cinco Cine Film Productions Ltd	Educational	TVNZ	70 x 22 mins	\$1,330,000
Kai Ora, series 3	Pakiri Productions Ltd	Magazine	MTS	13 x 26 mins	\$260,000
Marae	TVNZ	Current affairs	TVNZ	20 x 29 mins	\$704,000
Kotahi Te Rā	Māori Television	Special	MTS	1 x 10 hours	\$150,000
Māorioko, series 5	Mauri Ora Productions Ltd	Entertainment	MTS	9 x 52 min; 1 x 78 min	\$516,000
Free-Style	Mad Ave Studios	Magazine	MTS	13 x 26 mins	\$325,000
Hunting Aotearoa, series 4	Hikoī NZ Ltd	Magazine	MTS	13 x 26 mins	\$347,500
Waimarie	4 Winds Films Ltd	Script	MTS	1 x 26 min pilot	\$250,977
No Sweat Parenting	Kina Creative Ltd	Development			
Kaitiaki, series 2	Kiwa Media Ltd	Lifestyle	MTS	13 x 26 mins	\$338,090
Mika Haka Kids	Kiwa Media Ltd	Documentary	MTS	7 x 26 mins	\$229,884
Mika Haka Kids	Pātangaroa Entertainment Ltd	Documentary	MTS	1 x 52 min	\$110,000
CODE	Toa TV Ltd	Magazine	MTS	30 x 52 mins	\$828,290
Toitū Te Whenua	Raukauri Productions Ltd	Magazine	MTS	13 x 26 mins	\$260,000
Kaitangata Twitch	Production Shed.TV Ltd	Script	MTS	-	\$15,505
		Development			
Barry Barclay: Camera on the Shore	Anne Keating Agency Ltd	Documentary	MTS	1 x 78 min	\$36,500
Swoop of the Cormorant	Freckle Films Ltd	Documentary	MTS	1 x 78 min	\$80,275
				Total	\$9,259,767
Sub-Total Contestable Television					\$25,533,179
Programme Funding					
Industry Relations	Ngā Aho Whakaari			n/a	\$60,000
Total as at 30th June 2008	Total Television Funding				\$41,713,179

FUNDING continued

For the year ended 30 June 2008

Radio

Māori Radio Stations (Operational Funding)

Contract Name	Radio Station	Amount
Operational Funding	Te Reo o Ngāti Kahungunu Inc. (trading as Radio Kahungunu)	\$384,100
Operational Funding	Tanenuiarangi Manawatu Inc. (trading as Kia Ora FM 89.8)	\$384,100
Operational Funding	Moana Communications (trading as Moana AM)	\$384,100
Operational Funding	Te Reo Irirangi o Ngāti Raukawa (trading as Raukawa FM)	\$384,100
Operational Funding	Te Reo Irirangi o Pare Hauraki (trading as Ngā Iwi FM)	\$384,100
Operational Funding	Te Reo Irirangi o Te Arawa Trust (trading as Pūmanawa FM)	\$384,100
Operational Funding	Te Reo Irirangi o Te Ūpoko o Te Ika Trust (trading as Te Ūpoko o Te Ika)	\$384,100
Operational Funding	Te Reo Irirangi o Tūranganui ā Kiwa Ltd (trading as Tūranga FM)	\$384,100
Operational Funding	Te Whare Āwhina o Te Iwi Community Trust (trading as Tautoko FM)	\$384,100
Operational Funding	Te Reo Irirangi o Whanganui Inc. (trading as Awa FM)	\$384,100
Operational Funding	Ngāti Hine Health Trust Board (trading as Ngāti Hine FM)	\$384,100
Operational Funding	Te Reo o Irirangi o Te Mānuka Tūtahi Trust (trading as Sun FM)	\$384,100
Operational Funding	Tūwharetoa FM Charitable Trust (trading as Tūwharetoa 97.2 FM)	\$384,100
Operational Funding	Te Reo Irirangi o Te Hiku o Te Ika Inc. (trading as Te Hiku o Te Ika)	\$384,100
Operational Funding	Radio Ngāti Porou Charitable Trust (trading as Radio Ngāti Porou)	\$384,100
Operational Funding	Te Reo Irirangi o Taranaki Charitable Trust (trading as Te Korimako o Taranaki 94.8 FM)	\$384,100
Operational Funding	Ngāi Tahu Communications Ltd (trading as Tahu FM)	\$384,100
Operational Funding	Atiawa Toa FM Ltd (trading as Atiawa Toa FM)	\$384,100
Operational Funding	Te Reo Irirangi o Tainui (trading as Radio Tainui)	\$384,100
Operational Funding	Te Reo Irirangi o Maniapoto (trading as Maniapoto FM)	\$384,100
Operational Funding	UMA Broadcasting Ltd (trading as Radio Waatea)	\$384,100
Subtotal		\$8,066,100

Other Contracts

(includes Distribution Services, Administration Funding, APRA Fees and Capacity Building)

Contract Name	Provider	Amount
Administration Funding (2007/08)	Te Whakaruruahu o Ngā Reo Irirangi Māori	\$70,000
APRA Fees (2007/08)	Australasian Performing Right Association	\$60,950
Distribution Service - Punga.net	Starnet 2000 Ltd	\$465,783
Distribution Service - Irirangi.net	StreamCom Ltd	\$105,000
Capacity Building (2007/08)	Te Whakaruruahu o Ngā Reo Irirangi Māori	\$222,222
Iwi Radio Upgrade Project (Administration)	Starnet 2000 Ltd	\$45,000
Distribution Services - Punga.net Relocation	Starnet 2000 Ltd	\$22,640
Distribution Services - Punga.net II Rebuild/Development	Starnet 2000 Ltd	\$1,100,000
Subtotal		\$2,091,595

Annual Radio Programmes

Programme	Provider	Duration (Broadcast Hours)	Amount
Fluent Speakers			
News and Current Affairs (Waatea News and Current Affairs)	UMA Broadcasting Ltd (trading as Radio Waatea)	1,332	\$1,200,000
Second Language Learners			
Kaumātua (Tai Pari, Tai Timu)	Moana Communications (trading as Moana AM)	1,560	\$79,000
Subtotal			\$1,279,000

Outside Broadcast Radio Programmes

Programme	Provider	Duration (Broadcast Hours)	Amount
Fluent Speakers			
Commemorations for Corporal Willy Apiata VC	Te Reo o Irirangi o Te Mānuka Tūtahi Trust (trading as Sun FM)	6 hours	\$3,000
Radio Ngāti Porou's 20th Birthday Celebrations 2007	Radio Ngāti Porou Charitable Trust (trading as Radio Ngāti Porou)	4 days (6 hours per day)	\$4,000
2007 National Secondary Schools Ngā Manu Kōrero Competition	UMA Broadcasting Ltd (trading as Radio Waatea)	2 days (6 hours per day)	\$10,000
2008 Mataatua Senior Regional Kapa Haka Competition	Te Reo o Irirangi o Te Mānuka Tūtahi Trust (trading as Sun FM)	2 days (6 hours per day)	\$3,500
2008 Tainui Senior Regional Kapa Haka Competition	Te Reo Irirangi o Tainui (trading as Radio Tainui)	6 hours	\$3,396
2008 Ngāti Kahungunu Regional Kapa Haka Competition	Te Reo o Ngāti Kahungunu Inc. (trading as Radio Kahungunu)	6 hours	\$3,000
2008 Māori Media Awards	Te Reo Irirangi o Te Arawa Trust (trading as Pūmanawa FM)	6 hours	\$6,000
2008 Hui ā Rehia o Te Taitokerau Regional Kapa Haka Competition	Ngāti Hine Health Trust Board (trading as Ngāti Hine FM)	6 hours	\$3,500
Subtotal			\$36,396

Music Albums

Album Name	Producer	Artist	Amount
Ka Haku Au	Te Noni Ltd	Te Whanau Ponika	\$50,000
Te Riu Pāpara	Te Reo Irirangi o Whanganui Inc. (trading as Awa FM)	Various Artists	\$50,000
Tohu: Whakawhiti	Mauriora-ki-te-Ao/Living Universe Ltd	Various Artists	\$50,000
Whā	Black Pearl Ltd	Moana and the Tribe	\$50,000
Whirimako Black Sings	Mai Music Ltd	Whirimako Black	\$50,000
Pūrua - To the Power of Two	Front of the Box Productions Ltd	Various Artists	\$50,000
Supplementary - Wāhine Volume One	Urban Pacifika	Various Artists	\$6,000
Supplementary - Ko Te Kupu, Ko Te Tikanga	Tautoko Mai Productions	Hori Chapman	\$6,000
Subtotal			\$312,000

Music Singles

Single Name	Producer	Artist	Amount
Mātāriki	Fresh Alliance Entertainment Ltd	Terry Crawford	\$5,000
Whakamanawa	Mai Music Ltd	Pacific Curls	\$5,000
Hikoi	Tangata Records Ltd	Vivala Crew	\$5,000
Mai Raano	Tangata Records Ltd	Vivala Crew	\$5,000
Papakāinga	Te Parahia Trust	Denise Keelan	\$5,000
Hoea Rā	Tangata Records Ltd	Ranea and Awha	\$5,000
Oranga Ngākau	Kog Mastering Ltd	Matakite John Chong Nee featuring Jermaine	\$5,000
E Tāku Manako E	Kog Mastering Ltd	Matakite John Chong Nee featuring Huia	\$5,000
E Tama	Kahu Records Ltd	Whakaangi Rongonui	\$5,000
E Hine	Awekura Productions Ltd	Chris Winitana	\$5,000
Subtotal			\$50,000

TOTAL RADIO FUNDING \$11,835,091

Audit report

To the readers of the financial statements and statement of service performance of Te Māngai Pāho For the year ended 30 June 2008

The Auditor-General is the auditor of Te Māngai Pāho. The Auditor-General has appointed me, Robert Manktelow, using the staff and resources of Audit New Zealand, to carry out the audit on his behalf. The audit covers the financial statements and statement of service performance included in the annual report of Te Māngai Pāho for the year ended 30 June 2008.

Unqualified Opinion

In our opinion:

- The financial statements of Te Māngai Pāho on pages 16 to 37:
 - comply with generally accepted accounting practice in New Zealand; and
 - fairly reflect:
 - the financial position of Te Māngai Pāho as at 30 June 2008; and
 - the results of its operations and cash flows for the year ended on that date.
- The statement of service performance of Te Māngai Pāho on pages 38 to 45:
 - complies with generally accepted accounting practice in New Zealand; and
 - fairly reflects for each class of outputs:
 - its standards of delivery performance achieved, as compared with the forecast standards outlined in the statement of forecast service performance adopted at the start of the financial year; and
 - its actual revenue earned and output expenses incurred, as compared with the forecast revenues and output expenses outlined in the statement of forecast service performance adopted at the start of the financial year.

The audit was completed on 31 October 2008, and is the date at which our opinion is expressed.

The basis of our opinion is explained below. In addition, we outline the responsibilities of the Board and the Auditor, and explain our independence.

Basis of Opinion

We carried out the audit in accordance with the Auditor-General's Auditing Standards, which incorporate the New Zealand Auditing Standards.

We planned and performed the audit to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the financial statements and statement of service performance did not have material misstatements, whether caused by fraud or error.

Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding of the financial statements and statement of service performance. If we had found material misstatements that were not corrected, we would have referred to them in our opinion.

The audit involved performing procedures to test the information presented in the financial statements and statement of service performance. We assessed the results of those procedures in forming our opinion.

Audit procedures generally include:

- determining whether significant financial and management controls are working and can be relied on to produce complete and accurate data;
- verifying samples of transactions and account balances;
- performing analyses to identify anomalies in the reported data;
- reviewing significant estimates and judgements made by the Board;
- confirming year-end balances;
- determining whether accounting policies are appropriate and consistently applied; and
- determining whether all financial statement and statement of service performance disclosures are adequate.

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

We evaluated the overall adequacy of the presentation of information in the financial statements and statement of service performance. We obtained all the information and explanations we required to support our opinion above.

Responsibilities of the Board and the Auditor

The Board is responsible for preparing the financial statements and statement of service performance in accordance with generally accepted accounting practice in New Zealand. The financial statements must fairly reflect the financial position of Te Māngai Pāho as at 30 June 2008 and the results of its operations and cash flows for the year ended on that date. The statement of service performance must fairly reflect, for each class of outputs, the standards of delivery performance achieved and revenue earned and expenses incurred, as compared with the forecast standards, revenue and expenses adopted at the start of the financial year. The Board's responsibilities arise from the Crown Entities Act 2004.

We are responsible for expressing an independent opinion on the financial statements and statement of service performance and reporting that opinion to you. This responsibility arises from section 15 of the Public Audit Act 2001 and the Crown Entities Act 2004.

Independence

When carrying out the audit we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the Institute of Chartered Accountants of New Zealand.

Other than the audit, we have no relationship with, or interests in, Te Māngai Pāho.



Robert Manktelow

Audit New Zealand

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

Matters Relating to the Electronic Presentation of the Audited Financial Statements and Statement of Service Performance

This audit report relates to the financial statements and statement of service performance of Te Māngai Pāho for the year ended 30 June 2008 included on the website of Te Māngai Pāho. The Board of Te Māngai Pāho is responsible for the maintenance and integrity of the website of Te Māngai Pāho. We have not been engaged to report on the integrity of the website of Te Māngai Pāho. We accept no responsibility for any changes that may have occurred to the financial statements and statement of service performance since they were initially presented on the website.

The audit report refers only to the financial statements and statement of service performance named above. It does not provide an opinion on any other information which may have been hyperlinked to or from the financial statements and statement of service performance. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited financial statements and statement of service performance and related audit report dated 31 October 2008 to confirm the information included in the audited financial statements and statement of service performance presented on this website.

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

Statement of Responsibility

For the year ended 30 June 2008

Pursuant to the Crown Entities Act, 2004 Te Māngai Pāho accepts responsibility for:

- The preparation of the annual financial statements and the statement of Service Performance and the judgements used therein.
- The establishment and maintenance of a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial and non-financial reporting.

In the opinion of Te Māngai Pāho, the financial statements and the statement of Service Performance for the year ended 30 June 2008 fairly reflect the financial position and operations of Te Māngai Pāho.



Jacqueline Te Kani

Chair

31 October 2008



Gina Rangi

Board Member

31 October 2008

Statement of Accounting Policies

For the year ended 30 June 2008

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 and the Crown Entities Act 2004.

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 financial statements of Te Māngai Pāho are for the year ended 30 June 2008 were approved by the Board on 31 October 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) as required by the Crown Entities Act 2004. 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:

- Te Māngai Pāho's Crown Appropriation will not change materially from that forecast and will be received on time;
- Broadcasters and producers will fulfil their legal obligation within the timeframe as per the contract;
- Te Māngai Pāho assesses property, plant and equipment's 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. The carrying amounts of property, plant and equipment are disclosed in note 10.

Critical judgements

Management has exercised the following critical judgements in applying the accounting policies for the year 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.

6. Transition to NZ IFRS

This is the first set of financial statements using NZ IFRS and comparatives for the year ended 30 June 2008 have been restated to NZ IFRS accordingly. Reconciliation of equity and surplus/ (deficit) for the year ended 30 June 2007 under NZ IFRS to the balances reported in the 30 June 2007 financial statements are detailed in note 26.

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 and in preparing an opening NZ IFRS statement of financial position as at 1 July 2007 for the purposes of the transition to NZ IFRS.

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 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.

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 payables and receivables, 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

Debtors 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 improvements 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.

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 schemes

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.

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 in the statement of financial performance.

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 Objectives and Service Performance, report the total funding allocations made for the radio and television outputs for the year ended 30 June 2008. They also report the 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 those required by the adoption of NZ IFRS.

Statement of Financial Performance

For the year ended 30 June 2008

2007 Actual \$000		Notes	2008 Actual \$000	2008 Budget \$000
	Revenue			
53,109	Crown revenue	1	52,684	52,684
2,307	Interest revenue		2,473	1,740
104	Other revenue	2	232	0
55,520	Total revenue		55,389	54,424
	Expenditure			
2,109	Administrative	4	2,360	2,149
	Funding			
41,324	- Television	5	41,713	41,232
11,249	- Radio	6	11,835	11,054
54,682	Total expenditure		55,908	54,435
838	Net surplus (deficit) for the year	7	(519)	(11)

Statement of Changes in Equity

For the year ended 30 June 2008

2007 Actual \$000			2008 Actual \$000	2008 Budget \$000
6,055	Public Equity brought forward as at 1 July	26	6,893	6,569
838	Net surplus (deficit) for the year	7	(519)	(11)
838	Total recognised revenues and expenses for the year		(519)	(11)
0	Capital contribution		160	0
6,893	Total Public Equity as at 30 June		6,534	6,558

The Statement of Accounting Policies and Notes to the Financial Statements form an integral part of, and should be read in conjunction with, these Financial Statements.

Statement of Financial Position

As at 30 June 2008

2007 Actual \$000		Notes	2008 Actual \$000	2008 Budget \$000
6,893	PUBLIC EQUITY		6,534	6,558
	Represented by:			
	ASSETS			
	Current assets			
41,431	Cash and cash equivalents	8	24,904	25,546
112	Debtors and other receivables	9	162	960
41,543	Total current assets		25,066	26,506
	Non-current assets			
115	Property, plant and equipment	10	479	250
8	Intangible assets	11	17	15
123	Total non-current assets		496	265
41,666	Total assets		25,562	26,771
	LIABILITIES			
	Current liabilities			
15,235	Creditors and other payables	12	478	252
108	Employee entitlements	13	131	105
19,430	Funding provisions	14	18,419	19,856
34,773	Total current liabilities		19,028	20,213
34,773	Total liabilities		19,028	20,213
6,893	NET ASSETS		6,534	6,558

The Statement of Accounting Policies and Notes to the Financial Statements form an integral part of, and should be read in conjunction with, these Financial Statements.

Statement of Cashflows

For the year ended 30 June 2008

2007 Actual \$000	Notes	2008 Actual \$000	2008 Budget \$000
CASHFLOWS FROM OPERATING ACTIVITIES			
Cash was provided from:			
53,003	Crown funding	37,867	52,684
2,385	Interest received	2,428	1,640
4	Other revenues for services provided	7	0
55,392		40,302	54,324
Cash was applied to:			
937	Payments to employees	956	940
1,001	Payments to suppliers	1,294	1,100
41,519	Funding - television	43,215	43,000
9,883	Funding - radio	11,122	9,200
(76)	GST (net)	(39)	105
1	Interest paid	0	0
53,265		56,548	54,345
2,127	Net cashflow from operating activities	(16,246)	(21)
CASHFLOWS FROM INVESTING ACTIVITIES			
Cash was provided from:			
31	Receipts from sale of property, plant and equipment	4	0
Cash was applied to:			
51	Purchase of property, plant and equipment	433	225
9	Purchase of intangible assets	12	0
(29)	Net cashflow from investing activities	(441)	(225)
CASHFLOWS FROM FINANCING ACTIVITIES			
Cash was applied to:			
17	Repayments of term liabilities	0	0
0	Capital contribution	160	0
(17)	Net cashflow from financing activities	160	0
2,081	Net increase / (decrease) in cash and cash equivalents	(16,527)	(246)
39,350	Plus opening cash and cash equivalents	41,431	25,781
41,431	Cash and cash equivalents at the end of the year	24,904	25,535

The Statement of Accounting Policies and Notes to the Financial Statements form an integral part of, and should be read in conjunction with, these Financial Statements.

Notes To The Financial Statements

For the Year Ended 30 June 2008

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Notes to the Financial Statements

For the year ended 30 June 2008

	2008 Actual \$000	2007 Actual \$000
1 CROWN REVENUE		
	52,684	53,109

The decrease in Crown revenue relates to decreased appropriation for funding of Māori radio broadcasting (\$0.425 million, GST exclusive).

	2008 Actual \$000	2007 Actual \$000
2 OTHER REVENUE		
Previous funding commitments withdrawn or cancelled	225	96
Income from programme sales	7	4
Rental income from property sub-leases	0	4
	232	104

Funding reversals primarily as a result of unspent funds of a large contract with TVNZ and one contract not proceeding, each for different reasons acceptable to Te Māngai Pāho.

The reduced rental income is due to the cancellation of the sub-lease agreement with the tenant.

	2008 Actual \$000	2007 Actual \$000
3 PERSONNEL COSTS		
Salary and wages	939	828
Employer contributions to defined contribution plans	20	2
Increased/(decrease) in employee entitlements (note 13)	23	108
Other Personnel cost	50	58
Total personnel costs	1,032	996

Personnel cost has increased from the 2007 level as a result of contribution to KiwiSaver scheme, higher staffing cost in the tight labour market, and using temporary staff for the office relocation.

	2008 Actual \$000	2007 Actual \$000
4 ADMINISTRATIVE EXPENDITURE		
OVERHEADS		
Personnel costs (note 3)	1,032	996
Office overheads	164	154
Depreciation	44	48
Amortisation	3	2
<i>Fees to auditor:</i>		
Audit fees for financial statement audit	34	33
Audit fees for NZ IFRS transition	15	0
Other fees for assurance and related services	17	31
Operating lease expense	177	106
Finance lease charges (Interest)	0	1
Impairment of receivables (note 8)	0	0
Net loss on sale of property, plant and equipment	2	3
Write-off of property, plant and equipment	20	0
Professional services and consultants fees	479	343
Board and sub-committee costs - fees	29	22
(refer also note 18) - travel and accommodation	29	17
	2,045	1,756
CONSULTATION		
Hui	31	18
Liaison	113	114
	144	132
DEVELOPMENT		
Monitoring/surveys	32	96
Professional assessors	17	44
Publications and reports	37	35
Promotions	85	46
	171	221
TOTAL ADMINISTRATIVE EXPENDITURE	2,360	2,109

Administrative expenditure has increased from the 2007 level mainly due to higher personnel cost, operating lease cost, professional services and consultants fees and higher marketing cost.

The increased operating lease cost is mainly due to the office relocation. The increased professional services and consultants fees are mainly related to legal costs associated with an employment dispute and the Punga.net project. The higher promotions cost is mainly due to the sponsorship to two Broadcasting conferences and the celebration of 500,000 broadcasting hours.

Other fees for assurance and related services were for assurance reviews over funding contracts.

	2008 Actual \$000	2007 Actual \$000
5 FUNDING EXPENDITURE - TELEVISION		
Māori Television Service Direct Funding	16,120	16,120
Other programmes	25,533	25,144
Ngā Aho Whakaari	60	60
TOTAL FUNDING EXPENDITURE - TELEVISION	41,713	41,324

Expenditure on television programming has increased on the 2007 level (\$0.389 million), mainly due to additional funding for contestable Māori programmes from Te Māngai Pāho reserves.

	2008 Actual \$000	2007 Actual \$000
6 FUNDING - RADIO		
Iwi station operational funding	8,066	6,722
Radio distribution network-Punga.net 2	1,694	571
Programmes	1,315	1,705
APRA Fees	61	45
Music compact discs	386	280
Whakaruruhau	70	70
Iwi station upgrade project	45	1,634
Capacity Building	222	222
Debt recovered-Music CD	(24)	0
TOTAL FUNDING - RADIO	11,835	11,249

The increase of overall funding for radio, compared to 2007, is primarily due to increased operational funding to iwi radio stations.

	2008 Actual \$000	2007 Actual \$000
7 NET SURPLUS		
Net surplus (deficit)	(519)	838

The net surplus decreased by \$1.357 million mainly due to increased funding from reserves for Punga.net rebuilding and Māori television programmes.

	Effective interest rate	Total \$000	Maturities 3 months or less \$000
8 CASH AND CASH EQUIVALENTS			
2008			
Cash and cash equivalents			
- Current account	4.50%	55	55
- Call account	8.25%	4,849	4,849
- Short term deposits	8.69%	20,000	20,000
		24,904	24,904
2007			
Cash and cash equivalents			
- Current account	4.25%	35	35
- Call account	8.00%	18,396	18,396
- Short term deposits	8.26%	23,000	23,000
		41,431	41,431

Term deposits are made for varying periods of up to, and including, three months depending on the immediate cash requirements of Te Māngai Pāho, and earn interest at the respective short term deposit rates.

	2008 Actual \$000	2007 Actual \$000
9 DEBTORS AND OTHER RECEIVABLES		
Funding recoveries receivable	0	53
less provision for doubtful debts	0	(53)
Net funding recoveries receivable	0	0
Accrued interest receivable	157	112
Prepayments	3	0
Sundry debtors	2	0
	162	112

The overall increase in debtors and other receivables is due to the increased accrued interest receivable on short term deposits.

As at 30 June 2008 and 2007, all overdue receivables have been assessed for impairment and appropriate provisions applied, as detailed below:

	2008			2007		
	Gross	Impairment	Net	Gross	Impairment	Net
Not past due	162	0	162	112	0	112
Past due 1-30 days	0	0	0	0	0	0
Past due 31-60 days	0	0	0	0	0	0
Past due 61-90 days	0	0	0	0	0	0
Past due 91 days	0	0	0	53	(53)	0
Total	162	0	162	165	(53)	112

Movements in the provision for impairment of receivables are as follows:

	2008 Actual \$000	2007 Actual \$000
Balance at 1 July	53	53
Additional provisions made during the year	0	0
Reverse impairment previously expensed	(27)	0
Receivables written-off during period	(26)	0
Balance at 30 June	0	53

10 PROPERTY, PLANT AND EQUIPMENT

Movements for each class of property, plant and equipment are as follows:

	Office equipment \$000	Furniture and fittings \$000	Computer equipment \$000	Leasehold improvements \$000	Leased Photocopier \$000	Motor vehicle \$000	Total \$000
Cost or valuation							
Balance at 1 July 2006	72	80	179	68	28	38	465
Additions	2	0	14	0	0	36	52
Disposals	0	0	0	0	(28)	(38)	(66)
Balance at 30 June 2007	74	80	193	68	0	36	451
Balance at 1 July 2007	74	80	193	68	0	36	451
Additions	35	62	0	336	0	0	433
Disposals	(25)	(44)	(24)	(68)	0	0	(161)
Balance at 30 June 2008	84	98	169	336	0	36	723
Accumulated depreciation and impairment losses							
Balance at 1 July 2006	70	58	128	39	13	12	320
Depreciation expense	2	4	27	6	1	8	48
Eliminate on disposal	0	0	0	0	(14)	(18)	(32)
Balance at 30 June 2007	72	62	155	45	0	2	336
Balance at 1 July 2007	72	62	155	45	0	2	336
Depreciation expense	2	5	22	8	0	7	44
Eliminate on disposal	(25)	(39)	(24)	0	0	0	(88)
Impairment losses	0	0	0	(48)	0	0	(48)
Balance at 30 June 2008	49	28	153	5	0	9	244
Carrying amounts							
At 1 July 2006	2	22	51	29	15	26	145
At 30 June and 1 July 2007	2	18	38	23	0	34	115
At 30 June 2008	35	70	16	331	0	27	479

	Acquired software \$000	Total \$000
11 INTANGIBLE ASSETS		
Cost		
Balance at 1 July 2006	75	75
Additions	8	8
Disposals	0	0
Balance at 30 June 2007	83	83
Balance at 1 July 2007	83	83
Additions	12	12
Disposals	0	0
Balance at 30 June 2008	95	95
Accumulated amortisation and impairment losses		
Balance at 1 July 2006	73	73
Amortisation expense	2	2
Disposals	0	0
Impairment losses	0	0
Balance at 30 June 2007	75	75
Balance at 1 July 2007	75	75
Amortisation expense	3	3
Disposals	0	0
Impairment losses	0	0
Balance at 30 June 2008	78	78
Carrying amounts		
At 1 July 2006	2	2
At 30 June and 1 July 2007	8	8
At 30 June 2008	17	17
	2008	2007
	Actual	Actual
	\$000	\$000
12 CREDITORS AND OTHER PAYABLES		
Trade creditors	109	127
Accruals	114	75
Income in Advance	0	14,817
GST Payable	255	216
	478	15,235
	2008	2007
	Actual	Actual
	\$000	\$000
13 EMPLOYEE ENTITLEMENTS		
Current employee entitlements are represented by:		
Accrued salaries and wages	73	58
Annual leave	58	49
Sick leave	0	1
Total employee entitlements	131	108

14 FUNDING PROVISIONS

At the time projects are approved by the Board of Te Māngai Pāho and notification is made to the applicant, funding expenditure is charged against the current year's income and recorded as a liability. The liability is reduced as the applicant is paid according to the drawdown schedule specified in the funding contract.

	2008 Actual \$000	2007 Actual \$000
TELEVISION	16,092	17,799
RADIO	2,327	1,631
	18,419	19,430

Movements for each class of provision are as follows:

	Television \$000	Radio \$000	Total \$000
2008			
Balance at 1 July	17,799	1,631	19,430
Additional provisions made	41,713	11,835	53,548
Amounts used	(43,215)	(11,139)	(54,354)
Unused amounts reversed	(205)	0	(205)
Balance at 30 June 2008	16,092	2,327	18,419

	Television \$000	Radio \$000	Total \$000
2007			
Balance at 1 July	18,094	911	19,005
Additional provisions made	41,324	11,249	52,573
Amounts used	(41,519)	(10,529)	(52,048)
Unused amounts reversed	(100)	0	(100)
Balance at 30 June 2007	17,799	1,631	19,430

15 RECONCILIATION OF NET SURPLUS TO NET CASH-

FLOW FROM OPERATING ACTIVITIES

	2008 Actual \$000	2007 Actual \$000
Net surplus	(519)	838
Add/(Less) non-cash expenditure/(income)		
Depreciation	44	48
Amortisation	3	2
Total non-cash items	(472)	888

Add/(Less) items classified as investing or financing activities:

(Gains)/losses on disposal of property, plant and equipment	21	3
Total items classified as investing or financing activities	21	3

Add/(Less) movements in working capital items

(Increase) /decrease in accrued interest	(45)	78
(Increase) /decrease in sundry debtors	(2)	14
(Increase) /decrease in prepayments	(3)	646
Increase / (decrease) in sundry creditors	(14,796)	(32)
Increase / (decrease) in funding provisions	(1,011)	425
Increase / (decrease) in GST payable	39	76
Increase / (decrease) in employee entitlements	23	29
Net movements in working capital items	(15,795)	1,236

NET CASHFLOW FROM OPERATING ACTIVITIES	(16,246)	2,127
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16 FINANCIAL INSTRUMENTS

Te Māngai Pāho's activities expose it to a variety of financial instrument risks, including market risk, credit risk and liquidity risk. Te Māngai Pāho has a series of policies to manage the risks associated with financial instruments and seeks to minimise exposure from financial instruments. These policies do not allow any transactions that are speculative in nature to be entered into.

Market risk

The only market risk that Te Māngai Pāho is subject to is interest rate risk. Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. As term deposits are at fixed rates, and therefore do not fluctuate, the market risk Te Māngai Pāho is exposed to does not impact its reported financial performance and/or equity.

Te Māngai Pāho's interest rate risk is limited to interest on term investments, the interest rate and maturities are disclosed in note 8.

Sensitivity analysis

As at 30 June 2008, if the floating interest rate on call deposits had been 100 basis points higher or lower, with all other variables held constant, the surplus/deficit for the year would have been \$48,490 (2007: \$183,963) higher or lower.

Fair values

All financial instruments are recognised in the statement of financial position and are stated at carrying amounts. Given their short term nature, the carrying amounts are considered a reasonable approximation of their fair values. There has been no change from the previous period in Te Māngai Pāho's exposure to risks, how they arise, or in Te Māngai Pāho's objectives, policies and processes for managing the risk and the methods used to measure the risks.

Credit risk

Credit risk represents the risk that a counterparty will default on its contractual obligations to Te Māngai Pāho. Financial instruments which subject Te Māngai Pāho to credit risk consist of bank balances, bank term deposits, trade and other receivables. The maximum exposure to credit risk at the reporting date is the carrying amount of those instruments as detailed in note 8 & 9.

There is limited credit risk for Te Māngai Pāho because most of the financial assets are Te Māngai Pāho's cash and cash equivalents. These are deposits with registered banks in New Zealand with specified Standard and Poor's credit ratings of AA- or above. Te Māngai Pāho's Investment policy limits the amount of credit exposure to any one institution. Te Māngai Pāho does not require collateral or security to support financial instruments. There is no significant concentration of credit risk pertaining to accounts receivable.

Liquidity risk

Liquidity risk represents Te Māngai Pāho's ability to meet its contractual obligations associated with financial liabilities.

Te Māngai Pāho evaluates its liquidity requirements on an on-going basis by preparing monthly budget analyses which are used to manage the timing of investment maturity with payments due.

Te Māngai Pāho's creditors are mainly those reported as funding provisions and Creditors and Other Payables. Funding provisions are settled when the contractual obligations are fulfilled by the contracted producers or broadcasters.

Te Māngai Pāho aims to pay trade creditors within normal commercial terms, that is, by the 20th of the month, if not earlier. Employee entitlements comprise obligations for employee accumulated leave. This obligation is extinguished when leave is taken.

In meeting its liquidity requirements, Te Māngai Pāho maintains a target level of investments that must mature within specified timeframes to meet its ongoing payment obligations.

The table below analyses Te Māngai Pāho's financial liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed are the contractual undiscounted cash flow.

	Less than 6 months	Between 6 months and 1 year	Between 1 and 5 years
2008			
Creditors and other payables (note 12)	473	0	0
2007			
Creditors and other payables (note 12)	15,235	0	0

Te Māngai Pāho has funding provision of \$18.419m at 30 June 2008. It is expected that these to be paid by 30 June 2009. Most of these payments will be made on the achievement of milestones or activities whose timing is not specified rather than on contractual dates.

17 RELATED PARTY TRANSACTIONS

Te Māngai Pāho is a wholly owned entity of the Crown. All transactions entered into with other Government Departments, Crown Entities and State Owned Enterprises are conducted at armslength on normal business terms.

Where those parties are acting in the course of their normal dealings with Te Māngai Pāho, related party disclosures have not been made for transactions of this nature. NZ IFRS provides an exemption for public entities from having to make disclosures in respect of transactions between related parties subject to common control or significant influence by the Crown for transactions that would occur within a normal supplier or client/recipient relationship on terms and conditions no more or less favourable than those which it is reasonable to expect the entity would have adopted if dealing with that entity at arm's length in the same circumstances. Therefore, in accordance with NZ IFRS such transactions are not disclosed in these financial statements.

The following transactions were carried out with related parties other than those described above. All related party transactions have been entered into on an arms length basis. The aggregate value of transactions and outstanding balances relating to key management personnel and entities over which they have control or significant influence were as follows:

Transaction	Transaction value year ended 30 June		Balance outstanding year ended 30 June		
	2008	2007	2008	2007	
	\$000	\$000	\$000	\$000	
Parekawhia McLean	Mauriora ki te Ao/Living Universe Ltd	50	0	20	0
Rev Maurice Manawaroa Gray	Māori Education Trust	20	0	0	0
		70	0	20	0

Board memembr Parekawhia McLean declared an interest in the funding of the music CD album Tohu: whakawhiti from Mauriora ki te Ao/Living Universe Ltd. Parekawhia McLean and her husband are directors of the production company. The transaction was made on normal commercial terms. Parekawhia McLean did not participate in the discussion or decision relating to this project.

Rev Maurice Manawaroa Gray is the director of Māori Eduaction Trust. The transaction with Māori Education Trust was made on normal commercial terms. Rev Maurice Manawaroa Gray did not participate in the discussion or decision relating to this project.

No such purchases were made in the previous year.

No provision has been required, nor any expense recognised for impairment of receivables from related parties (2007 \$nil).

KEY MANAGEMENT PERSONNEL COMPENSATION

	2008 Actual \$000	2007 Actual \$000
Salary and other short term employee benefits comprise:		
-Remuneration of Board members	29	22
-Remuneration of senior management team	502	483
Post-employment benefits	0	0
Other long-term benefits	0	0
Termination benefits	0	0
Total key management personnel compensation	531	505

Key management personnel include all board members, the Chief Executive, and the senior mangement team.

18 REMUNERATION OF BOARD MEMBERS

The Board of Te Māngai Pāho received the following fees for the year ended 30 June 2008.

	2008 Actual \$000	2007 Actual \$000
Jacqueline Te Kani (Chair)	9	6
Te Ripowai Higgins	6	5
Tahu Potiki (resigned 15 September 2006)	0	1
Parekawhia McLean	5	5
Gina Rangī (Appointed on 13 November 2007)	4	0
Rev Maurice Manawaroa Gray (Appointed on 13 November 2007)	1	0
Herewini Te Koha (Resigned 30 June 2008)	4	5
Total Board Fees	29	22

19 REMUNERATION OF EMPLOYEES

In 2008 two employees received remuneration and other benefit in excess of \$100,000. Their remuneration band is as follows:

	Number of Employees 2008	Number of Employees 2007
Remuneration Band		
\$110,000-\$120,000	0	0
\$120,001-\$130,000	0	1
\$130,001-\$140,000	1	0
\$140,001-\$150,000	0	0
\$150,001-\$160,000	0	0
\$160,001-\$170,000	0	1*
\$170,001-\$180,000	1*	0
Total employees	2	2

* Chief Executive's total remuneration.

Disclosure of compensation or other benefits

Te Māngai Pāho paid out a total of \$64,500 in relation to cessation of employment of which a portion was pursuant to section 123 of the Employment Relations Act.

20 POST BALANCE DATE EVENTS

No significant events have occurred since balance date which will have any material effect upon the financial statements for the year ended 30 June 2008 (2007-\$15,000).

21 CATEGORIES OF FINANCIAL ASSETS AND LIABILITIES

	2008 Actual \$000	2007 Actual \$000
<i>Loans and receivables</i>		
Cash and cash equivalents	24,904	41,431
Debtors and other receivables	162	112
Total loans and receivables	25,066	41,543
<i>Financial liabilities measured at amortised cost</i>		
Creditors and other payables	478	15,235
Funding provisions	18,419	19,430
Total financial liabilities measured at amortised cost	18,897	34,665

22 Capital commitments and operating leases

	2008	2007
	Actual	Actual
	\$000	\$000
Capital commitments approved and contracted	0	0
Non-cancellable operating lease commitments payable:		
Not later than 1 year	151	42
Later than 1 year and not later than 5 years	575	25
Later than 5 years	71	0
	797	67

These commitments relates to two leases for Te Māngai Pāho premises in Wellington and one lease for the photocopier. The premises leases term is six years. Final expiry date is 31 December 2019 if right of renewal is exercised. The lease for the photocopier expires in 2010 financial year.

Other non-cancellable contracts:

Not later than 1 year	9,388	25,429
Later than 1 year and not later than 5 years	9,191	0
Later than 5 years	0	0
	18,579	25,429

At balance date Te Māngai Pāho had entered into non-cancellable contracts for funding and the provision of services. Commitments relate to the iwi radio stations' operational funding, Radio programme funding, Distribution services funding for Punga.net project, and web streaming service fee for the irirangi project.

Total commitments	19,376	25,496
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23 CONTINGENCIES**Contingent liabilities**

There are no contingent liabilities at balance date. (2007 \$22,000)

Contingent assets

Te Māngai Pāho has no contingent assets. (2007 \$nil)

24 Capital management

Te Māngai Pāho's capital is its equity, which comprises accumulated funds and other reserves. Equity is represented by net assets.

Te Māngai Pāho is subject to the financial management and accountability provisions of the Crown Entities Act 2004, which impose restrictions in relation to borrowings, acquisition of securities, issuing guarantees and indemnities and the use of derivatives.

Te Māngai Pāho manages its equity as a by-product of prudently managing revenues, expenses, assets, liabilities, investments, and general financial dealings to ensure Te Māngai Pāho effectively achieves its objectives and purpose, whilst remaining a going concern.

25 Explanation of significant variances against budget

Explanations for significant variations from Te Māngai Pāho's budgeted figures in the statement of intent are as follows:

Statement of financial performance*Interest revenue*

Interest revenue was higher than budgeted by \$0.733 million mainly due the average investment rate being higher than expected.

Television funding expenditure

Funding expenditure for the Television Portfolio is over budget by \$0.481 million mainly due to additional funding being made available for the contestable pool.

The increased expenditure was funded from reversal and reserves.

Radio funding expenditure

Funding expenditure for the Radio Portfolio is over budget by \$0.781 million. This is due largely to the funding expenditure of \$1.1 million for the Punga.net project which is funded from reserves, and the under-spend of funding of \$0.319 million.

Administration expenses

Administration expenses were higher than budgeted by \$0.211 million mainly due to the increased costs related to office relocation, punga.net consulting and the legal costs associated with an employment matter.

The approved increased expenditure was funded from reserves.

Statement of financial position*Property, plant and equipment*

Property, plant and equipment were higher than budgeted by \$0.229 million due to the office fit-out for the new premises.

Te Māngai Pāho received a capital injection of \$0.160 million from the Crown for that purpose.

Funding Provisions

Funding provisions were less than budgeted by \$1.437 million due to deliverables of contract obligation by producers and broadcasters, being fulfilled earlier than expected.

Statement of changes in equity*Capital contribution*

Te Māngai Pāho received a capital injection of \$0.160 million from Crown appropriation for the office fit-out of the new premises.

Surplus/deficit for the year

The deficit for the year was greater than budgeted by \$0.508 million due to the budget variances explained in the statement of financial performance above.

Statement of changes in cash flows

Cash flow from Crown funding was lower than budgeted by \$14.817 million as a result of the first quarter Crown appropriation was received on 29 June 2007, which was recorded in 2007 financial year accounts.

26 TRANSITION TO NEW ZEALAND EQUIVALENTS TO INTERNATIONAL FINANCIAL REPORTING STANDARDS**Explanation of transition to NZ IFRS**

As stated in Statement of accounting policy, these are Te Māngai Pāho's first financial statements to be prepared in accordance with NZ IFRS. Te Māngai Pāho's transition date is 1 July 2006 and the opening NZ IFRS balance sheet has been prepared as at that date. Te Māngai Pāho's NZ IFRS adoption date is 1 July 2007.

Exemptions from full retrospective application elected by Te Māngai Pāho

In preparing these financial statements in accordance with NZ IFRS 1, Te Māngai Pāho has not applied any optional exemptions to full retrospective application of NZ IFRS.

The only mandatory exception from retrospective application that applies to Te Māngai Pāho is the requirement for estimates under NZ IFRS at 1 July 2006 and 30 June 2007 to be consistent with estimates made for the same date under previous NZ GAAP.

Reconciliation of equity

The following table shows the changes in equity, resulting from the transition from previous NZ GAAP to NZ IFRS as at 1 July 2006 and 30 June 2007.

	Notes	1 July 2006			30 June 2007		
		Previous NZ GAAP \$000	Effect on Transition NZ IFRS \$000	NZ IFRS \$000	Previous NZ GAAP \$000	Effect on Transition NZ IFRS \$000	NZ IFRS \$000
Assets							
Current assets							
Cash and cash equivalents	a	39,350	0	39,350	41,431	0	41,431
Debtors and other receivables	b	850	(646)	204	112	0	112
Prepayments	b	0	646	646	0	0	0
Total current assets		40,200	0	40,200	41,543	0	41,543
Non-current assets							
Property, plant and equipment	c	147	(2)	145	123	(8)	115
Intangible assets	d	0	2	2	0	8	8
Total non-current assets		147	0	147	123	0	123
Total assets		40,347	0	40,347	41,666	0	41,666
Liabilities							
Current Liabilities							
Creditors and other payables		15,276	(80)	15,196	15,342	(107)	15,235
Employee entitlements	e	0	80	80	0	108	108
Provisions		19,005	0	19,005	19,430	0	19,430
Total current liabilities		34,281	1	34,281	34,772	1	34,773
Non-current liabilities							
Lease liabilities		11	0	11	0	0	0
Total non-current liabilities		11	0	11	0	0	0
Total liabilities		34,292	0	34,292	34,772	1	34,773
Net Assets		6,055	0	6,055	6,894	(1)	6,893
Equity							
General funds	f	6,055	0	6,055	6,894	(1)	6,893
Total equity		6,055	0	6,055	6,894	(1)	6,893

Explanatory notes – Reconciliation of equity

a. Cash and cash equivalents and investments

Those term deposits with maturities less than three months have been reclassified as cash and cash equivalents.

b. Debtors and other receivables & Prepayments

Prepayments are disclosed as part of Debtors and other receivables under previous NZ GAAP.

c. Property, plant and equipment

The adjustments to property, plant and equipment are as follows:

	1 July 2006 \$000	30 June 2007 \$000
Intangible assets (note d)	(2)	(8)
Total adjustment to property, plant and equipment	(2)	(8)

d. Intangible assets

Computer software has been reclassified as an intangible asset. It was previously classified as property, plant and equipment.

e. Employee entitlements – Sick leave

Sick leave was not recognised as a liability under previous NZ GAAP. NZ IAS 19 requires Te Māngai Pāho to recognise employees' unused sick leave entitlement that can be carried forward at balance date, to the extent Te Māngai Pāho anticipates it will be used by staff to cover future absences.

f. General funds

The adjustments to general funds are as follows:

	1 July 2006 \$000	30 June 2007 \$000
Sick leave (Note e)	0	(1)
Total adjustment to general funds	0	(1)

Reconciliation of surplus for the year ending 30 June 2007

The following table shows there is no major changes in Te Māngai Pāho surplus, resulting from the transition from previous NZ GAAP to NZ IFRS for the year ended 30 June 2007.

	Notes	2007 Actual \$000	Effect on transition to NZ IFRS \$000	NZ IFRS 2007 Actual \$000
Revenue				
Revenue from Crown		53,109	0	53,109
Interest income	g	0	2,307	2,307
Other revenue	g	2,411	(2,307)	104
Total revenue		55,520	0	55,520
Expenditure				
Administrative	h	2,108	1	2,109
Funding				0
- Television		41,324	0	41,324
- Radio		11,249	0	11,249
Total expenditure		54,681	1	54,682
Net surplus (deficit) for the year		839	(1)	838

g. Interest revenue

NZ IFRS require Te Māngai Pāho to disclose interest income and interest expense either on the face of the financial statement or in the notes.

h. Sick leave

This adjustment is related to sick leave, which not recognised as a liability under previous NZ GAAP. NZ IAS 19 requires Te Māngai Pāho to recognise employees' unused sick leave entitlement that can be carried forward at balance date, to the extent Te Māngai Pāho anticipates it will be used by staff to cover future absences.

Statement of cash flows

On transition to NZ IFRS, short term deposits with maturities less than 3 months are now included as part of cash and cash equivalents.

There have been no material adjustments to the statement of cash flows for the year ended 30 June 2007, on transition to NZ IFRS.

STATEMENT OF OBJECTIVES & SERVICE PERFORMANCE

For the year ended 30 June 2008

Cost of Services

Te Māngai Pāho has three output classes and all revenue and expenses incurred are the totals as disclosed in the financial statements on pages 20.

1 NON DEPARTMENTAL OUTPUT CLASS 03: MĀORI TELEVISION BROADCASTING

Te Māngai Pāho's Māori Television Broadcasting output for this output class is:

Māori Television

This output requires 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.

OUTPUT 1 – DIRECT FUNDING OF MĀORI TELEVISION SERVICE

Direct funding of Māori Television is for:

- 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.

PERFORMANCE MEASURES

The number of broadcast hours purchased from Māori Television Service is as follows:

PERFORMANCE INDICATOR	PERFORMANCE STANDARD	ACTUAL PERFORMANCE
Broadcast Hours 2007/08	700	661.5

The quantity of Television Programmes to be purchased according to target audience group in 2007/08 is shown below.

PERFORMANCE INDICATOR	PERFORMANCE STANDARD	ACTUAL PERFORMANCE
<i>Target Audience Group</i>	<i>Programme Hours Sought</i>	<i>Actual Hours Purchased</i>
Fluent Māori Language Speakers	270	182
Second Language Learners	140	164
Receptive Audiences	290	315.5
Total Programme Hours	700	661.5

Māori Television projected total in-house production at 826 hours from combined funding from Te Māngai Pāho and other sources. The contract value was based on Te Māngai Pāho's share of projected total in-house production hours at average cost. The variances in results for Target Audience Groups reflects the results of negotiations with Māori Television Service over the 2006/07 – 2007/08 contract.

Te Māngai Pāho's Māori language quantity targets are:

PERFORMANCE INDICATOR	PERFORMANCE STANDARD	ACTUAL PERFORMANCE
Te Reo Māori content of direct funded Māori Television Service programming.	The te reo Māori content of direct funded Māori Television Service programming will be: <ul style="list-style-type: none"> • over 70% for Fluent, • between 30 - 70% for Second Language Learners, and • up to 30% for Receptive Audiences. 	Achieved Achieved Achieved

PERFORMANCE INDICATOR	PERFORMANCE STANDARD	ACTUAL PERFORMANCE
Quantity of Māori language content of direct funded programming.	The quantity of Māori language as reported by the broadcaster 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 broadcast have met the stated quantity levels.	The majority of programmes selected met the stated quantity levels. Where issues were identified these were communicated to the broadcaster.

Te Māngai Pāho's Māori language quality targets are:

PERFORMANCE INDICATOR	PERFORMANCE STANDARD	ACTUAL PERFORMANCE
Quality Te Reo Māori content of direct funded Māori Television Service programming.	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.	Programmes selected met Te Taura Whiri i te Reo Māori quality indicator framework.

OUTPUT 2 – CONTESTABLE TELEVISION PROGRAMME FUNDING

A contestable funding pool for programmes which promote Māori language and culture.

PERFORMANCE MEASURES

The number of hours purchased through contestable funding are as follows:

PERFORMANCE INDICATOR	PERFORMANCE STANDARD	ACTUAL PERFORMANCE
Hours 2007/08	580	656

The quantity of Television Programmes to be purchased according to target Audience groups through contestable funding in 2007/08 is shown below.

PERFORMANCE INDICATOR	PERFORMANCE STANDARD	ACTUAL PERFORMANCE
<i>Target Audience Group</i>	<i>Programme Hours Sought</i>	<i>Actual Hours Purchased</i>
Fluent Māori Language Speakers	150	250.50
Second Language Learners	200	195.00
Receptive Audiences	230	210.50
Total Programme Hours	580	656.00

Total programme hours are ahead of budget primarily due to the average cost of programmes purchased being less than budgeted, so that additional volume could be purchased from the contestable pool. The remainder of this variance is as a result of additional funding made available.

The variance in the total cost of these programme purchases reflects additional funding made available to the contestable funding pool from Te Māngai Pāho's reserves.

The variance in results for Target Audience Groups is a transitional result for the new target setting process.

Te Māngai Pāho's Māori language quantity targets are:

PERFORMANCE INDICATOR	PERFORMANCE STANDARD	ACTUAL PERFORMANCE
Te Reo Māori content of contestably funded programming.	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.	Language Content 97% 54% 25%

PERFORMANCE INDICATOR	PERFORMANCE STANDARD	ACTUAL PERFORMANCE
Quantity of te Reo Māori content of contestably funded programming.	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 stated quantity levels.	The majority of programmes selected met the stated quantity levels. Where issues were identified these were communicated to the producer.

Te Māngai Pāho's Māori language quality targets are:

PERFORMANCE INDICATOR	PERFORMANCE STANDARD	ACTUAL PERFORMANCE
Quality Te Reo Māori content of contestably funded programming.	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.	The majority of programmes selected met Te Taura Whiri i te Reo Māori quality indicator framework. Where issues were identified these were communicated to the producer.

OUTPUT 3 – TELEVISION INDUSTRY CO-ORDINATION AND DEVELOPMENT

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.

PERFORMANCE MEASURES

PERFORMANCE INDICATOR	PERFORMANCE STANDARD	ACTUAL PERFORMANCE
Funding Agreement with Ngā Aho Whakaari	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.	Agreement in place for 2007/08.
Quality of Service	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.	Achieved.

Summary – Māori Television Broadcasting

PERFORMANCE INDICATOR	PERFORMANCE STANDARD	ACTUAL PERFORMANCE
	\$000	\$000
Direct Funding of Māori Television Service	16,100	16,120
Contestable Funding	25,000	25,533
TV Industry Co-ordination	100	60
Total for output Māori Television (GST exclusive)	41,200	41,713

The actual expenditure is more than the target amount principally due to funding of additional contestable programming from Te Māngai Pāho reserves.

2

NON DEPARTMENTAL OUTPUT CLASS 04 - MĀORI RADIO BROADCASTING

Te Māngai Pāho's Māori Radio Broadcasting output for this output class is:

Māori Radio Broadcasting

This output requires 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.

OUTPUT 1 – OPERATIONAL FUNDING FOR IWI RADIO

Operational funding to iwi stations to broadcast programmes.

PERFORMANCE MEASURES

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 hours reach prime time audiences.

PERFORMANCE INDICATOR	PERFORMANCE STANDARD	ACTUAL PERFORMANCE
Broadcast Time Secured 2007/08	137,970 hours (21 stations x 18 hours per day x 365 days)	137,970

Māori language content of secured broadcast time

The Māori language content of secured broadcast time is as follows:

- Eight hours per day of te reo Māori purchased from the 21 recognised iwi stations, to be broadcast within the broadcast window secured. (see table below).

Māori Language Hours Purchased

PERFORMANCE INDICATOR	PERFORMANCE STANDARD			ACTUAL PERFORMANCE
Māori language content of secured broadcast time	Māori language hours per day	No of stations	Target Annual Māori language broadcast hours	Actual Annual Māori Language Broadcast Hours
	8	21	61,320	61,320

PERFORMANCE INDICATOR	PERFORMANCE STANDARD	ACTUAL PERFORMANCE
Quantity of Māori language content of secured broadcast time.	The quantity of Māori language as reported by the iwi stations will be confirmed ongoing monitoring by Te Māngai Pāho to confirm whether a selection of programmes broadcast have met the stated quantity levels.	The majority of broadcasts selected met the stated quantity levels. Where issues were identified these were communicated to the iwi station concerned.

Quality of Māori language

PERFORMANCE INDICATOR	PERFORMANCE STANDARD	ACTUAL PERFORMANCE
Quality of Māori language	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 broadcast recordings have met Te Taura Whiri i te Reo Māori quality indicator framework.	Programmes selected met Te Taura Whiri i te Reo Māori quality indicator framework.

OUTPUT 2 – CONTESTABLE RADIO PROGRAMME AND MUSIC FUNDING

Contestable Funding will be provided for the promotion of Māori language and culture through radio programme production, event broadcasts and music CDs.

PERFORMANCE MEASURES

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.

PERFORMANCE INDICATOR	PERFORMANCE STANDARD	ACTUAL PERFORMANCE
<i>Target Audience Group</i>	<i>Programme Hours Sought</i>	<i>Actual Hours Purchased</i>
Fluent Māori Language Speakers	1,535	1,410
Second Language Learners	...*	...*
Receptive Audiences	...*	...*
Total Programme Hours	1,535	1,410

* Note that operational funding (Output 1 above) provides for a large proportion of the iwi stations' daily broadcast schedule. Stations will provide programming targeted for second language learners and receptive audience groups to the extent deemed appropriate by each station. Contestable radio programme hours are less than target due to a lower uptake of Outside Broadcasts than forecast.

Quantity of music CD albums, CD singles to be purchased in 2007/08.

PERFORMANCE INDICATOR	PERFORMANCE STANDARD	ACTUAL PERFORMANCE
	2007/08 Planned Number	2007/08 Actual Number
	Music CDs 10 CD singles 6 CD albums	10 CD singles 6 CD albums

Midnight to dawn reo content

Te Māngai Pāho will make available through the Punga.net system a midnight to dawn programme with reo Māori content for uptake by the 21 iwi stations outside the broadcast window.

PERFORMANCE MEASURES

Midnight to dawn reo content

PERFORMANCE INDICATOR	PERFORMANCE STANDARD	ACTUAL PERFORMANCE
<i>Target Audience Group</i>	<i>Programme Hours Sought</i>	<i>Actual Hours Purchased</i>
Second Language Learners	1,560	1,560
Total Programme Hours	1,560	1,560

PERFORMANCE INDICATOR	PERFORMANCE STANDARD	ACTUAL PERFORMANCE
Quantity of Māori language content of midnight to dawn contestably funded programming.	The quantity of Māori language as reported 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 stated quantity levels.	The majority of programmes selected met the stated quantity levels. Where issues were identified these were communicated to the producer.

Quality of Māori language

PERFORMANCE INDICATOR	PERFORMANCE STANDARD	ACTUAL PERFORMANCE
Quality of Māori language	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.	Programmes selected met Te Taura Whiri i te Reo Māori quality indicator framework.

OUTPUT 3 – RADIO DISTRIBUTION SYSTEM

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.

PERFORMANCE MEASURES

Distribution service:

PERFORMANCE INDICATOR	PERFORMANCE STANDARD	ACTUAL PERFORMANCE
Contract established	A contract renewed to provide for the management of the Punga.net service.	Contract established
Quality of Service	Feedback from iwi radio stations indicates that Punga.net service delivery has been satisfactory.	There were some disruptions to service delivery during the year, as a result of the current Punga.net system nearing the end of its useful life. Where these issues were identified these were communicated to the service provider for resolution.

OUTPUT 4 – CAPACITY BUILDING AND INDUSTRY CO-ORDINATION

This output includes provision for the Iwi Radio industry representatives, Te Whakaruruhau, to be contracted to, among other tasks, oversee the Radio Industry Capacity Building programme, and promote and facilitate greater co-ordination between the industry and Te Māngai Pāho.

Funding (according to priority and technical assessments) will be provided to complete the enhancement of the broadcasting capability of selected iwi stations.

PERFORMANCE MEASURES

The performance measures for capacity building and industry co-ordination are as follows:

PERFORMANCE INDICATOR	PERFORMANCE STANDARD	ACTUAL PERFORMANCE
Agreements with Te Whakaruruhau	Enter into agreements with Te Whakaruruhau for the oversight of the Radio Industry Capacity Building Programme and to promote and facilitate co-ordination between the radio industry and Te Māngai Pāho.	Agreements have continued for the oversight of the Radio Industry Capacity Building Programme and industry coordination.
Iwi Radio Upgrade Programme	All iwi radio upgrade installations are in accordance with the approved technical plan and receive appropriate technical sign-off.	All of the seventeen iwi radio upgrade installations completed were in accordance with the approved technical plan and received appropriate technical sign off. Four installations had not been completed by year end.
	Selected industry representatives are satisfied with the management of the iwi radio upgrade programme.	Achieved
Quality of Service	Selected industry representatives agree that Te Whakaruruhau has facilitated the effective co-ordination between Te Māngai Pāho and the members of Te Whakaruruhau and are satisfied with the management of the Radio Industry Capability Building Programme.	Selected industry representatives have agreed that Te Whakaruruhau has facilitated the effective flow of information between Te Māngai Pāho and members of Te Whakaruruhau and that they are satisfied with the management of the Radio Industry Capability Programme.

Summary for Non Departmental Output Class 04

Māori Radio Broadcasting Funding

PERFORMANCE INDICATOR	PERFORMANCE STANDARD	ACTUAL PERFORMANCE
	\$000	\$000
Output 1 Operational Funding for Iwi Radio	8,100	8,066
Output 2 Contestable Radio Programme and Music Funding	1,900	1,739
Output 3 Radio Distribution System	700	1,693
Output 4 Capacity Building and Industry Co-ordination	400	337
Total for output Māori Radio Broadcasting (GST exclusive)	11,100	11,835

Contestable radio programme and music funding is less than budget due to a lower uptake of Outside Broadcasts than budgeted. Radio Distribution is more than budget due to the decision taken by the Board during the year to provide \$1.1 million (GST exclusive) for the replacement of the Punga.net system from Te Māngai Pāho reserves.

NON DEPARTMENTAL OUTPUT CLASS 05 – ADMINISTRATION OF MĀORI BROADCASTING

Te Māngai Pāho's Administration of Māori Broadcasting output for this output class is:

Administration of Broadcasting

This output is to fund the administration activities so that Te Māngai Pāho can:

- Meet its statutory functions, including the management and disbursement of funds to promote Māori language and culture;
- Pursue the outcomes in the 2007-12 Statement of Intent; and
- Deliver the outputs in the 2007/08 Output Plan.

OUTPUT 1 – ADMINISTRATION OF BROADCASTING FUNDING

This output is to fund the administrative activities of Te Māngai Pāho including meeting meeting accountability requirements, consultation obligations and the provision of programme purchase and contract management services.

Accountability for policies, decisions and performance

PERFORMANCE INDICATOR	PERFORMANCE STANDARD	ACTUAL PERFORMANCE
Statement of Intent	Te Māngai Pāho's Statement of Intent will be tabled in Parliament and available for interested parties at the beginning of the financial year.	The Statement of Intent was tabled in Parliament at the beginning of the financial year.
Decisions and Performance	Key initiatives will be flagged to the Minister through regular scheduled meetings, or briefings as appropriate.	Updates were provided to the Minister through scheduled meetings.

Purchase decisions

PERFORMANCE INDICATOR	PERFORMANCE STANDARD	ACTUAL PERFORMANCE
Programme Purchase	All purchase decisions made by the Board will be in accordance with the approved policies (detailed in the Request for Proposals – RFPs).	Achieved
	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.	Achieved
	All completed applications received by Te Māngai Pāho by the published deadlines will be considered by the Board within two months following the deadline.	Completed applications were considered by the Board within a six to seven week period.
	Te Māngai Pāho will notify all applicants by letter as soon as practicable.	Applicants were notified by letter and funding decisions published on the Te Māngai Pāho website.
	Te Māngai Pāho will hold funding clinics in 2007/08 to promote understanding of Te Māngai Pāho's funding requirements and improve the quality of proposals received.	Te Māngai Pāho published 26 fortnightly online pānui (newsletters) to the Māori television industry. These included guidance on funding issues and feedback on the outcome of funding rounds to assist with the improvement of the quality of proposals received.

Consultation

PERFORMANCE INDICATOR	PERFORMANCE STANDARD	ACTUAL PERFORMANCE
Consultation Obligations	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.	Achieved
	Te Māngai Pāho will secure audience survey information for television and radio in order to measure audience response to Te Māngai Pāho-funded programmes.	Achieved
	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.	52% general 38% Māori youth

The audience survey results are from the TNS 2007 survey showing the combined audience figure for TV and Iwi Radio together. For television on its own, 61 % of Māori youth and 48% of general Māori audiences watch Māori programming for at least one hour per day.

Effective Contract Management

PERFORMANCE INDICATOR	PERFORMANCE STANDARD	ACTUAL PERFORMANCE
Contract Management	Contracts will be put in place for all successful applicants.	Achieved

PERFORMANCE INDICATOR	PERFORMANCE STANDARD	ACTUAL PERFORMANCE												
	The type and anticipated quantity of contracts managed by Te Māngai Pāho over the course of the financial year will be:													
Quantity of contracts managed	<table border="1"> <thead> <tr> <th>Contract Type</th> <th>Annual Forecast Number</th> <th>Actual Annual Number of Contracts Managed</th> </tr> </thead> <tbody> <tr> <td>Television</td> <td>135</td> <td>165</td> </tr> <tr> <td>Radio</td> <td>85</td> <td>81</td> </tr> <tr> <td>Total</td> <td>220</td> <td>246</td> </tr> </tbody> </table>	Contract Type	Annual Forecast Number	Actual Annual Number of Contracts Managed	Television	135	165	Radio	85	81	Total	220	246	
Contract Type	Annual Forecast Number	Actual Annual Number of Contracts Managed												
Television	135	165												
Radio	85	81												
Total	220	246												

Contract Monitoring

PERFORMANCE INDICATOR	PERFORMANCE STANDARD	ACTUAL PERFORMANCE
Quality of contract monitoring	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.	Achieved
	Contract monitoring will be undertaken in accordance with agreed procedures.	Achieved

Summary for Non Departmental Output Class 05

Administration of Māori Broadcasting

PERFORMANCE INDICATOR	PERFORMANCE STANDARD	ACTUAL PERFORMANCE
	\$000	\$000
Output 1 Administration of Māori Broadcasting	2,100	2,360
Total for Non Departmental Output Class 05	2,100	2,360

Administrative expenditure is \$0.260 million more than the budget due to additional professional services fees arising from projects and events. The increase is also due to costs associated with the shift to new premises. The increase was funded by an approved drawdown from Te Māngai Pāho reserves.

2007/08 Calendar of Events



July 2007

Air NZ Screen Awards 2007

CODE – Winner, Best Sports Programme
MARAE DIY – Finalist, Best Lifestyle/Entertainment Programme
WAKA REO – Finalist, Achievement in Camerawork Documentary
KŌRERO KI NGĀ KARAREHE – Finalist, Best Māori Language Programme



August 2007

New Broadcasting Futures: Out of the Box Conference was hosted by Broadcasting Minister Steve Maharey. It featured a mix of international keynote speakers, workshops, case studies, technology demonstrations and panel discussions. It grappled with the big question: how can New Zealand achieve diversity through digital broadcasting?

Tāua

Te Arepa Kahi's short film, *Tāua* had its international premiere at the prestigious Edinburgh Film Festival in August 2007.



September 2007

Māori Language Week Awards

Tau Kē-Winner, preschool Award 2007



October 2007

Māori Sports Awards

AIRINI MASON-TOATA: Winner, Māori Sports Media Award of the Year

Tāua

Te Arepa Kahi's film *Tāua* received two awards at important international indigenous festivals in this month. The 4th annual National Geographic All Roads Film Festival in the USA awarded *Tāua* Best Short Film, and the 8th ImagineNATIVE Film + Media Arts Festival in Canada gave the film an Honourable Mention for Best Short Drama.



November 2007

2007 Qantas Television Awards

MARAE DIY – MANUTUKE
Winner, Best Reality (Format)
NĀ RĀTOU, MŌ TĀTOU – LET'S HONOUR THEM TOGETHER (ANZAC 2007)
Finalist, Best Sports or Event Coverage

2007 Media Peace Awards

Front of The Box Productions Limited was honoured at 2007 Media Peace Awards for their series *Takatāpui*.

New Board members appointed

Two new Board members Gina Rangī and Rev Maurice Gray were appointed.



December 2007

North & South Magazine New Zealander of the Year Awards

Rhonda Kite – Managing Director of the Kiwa Media Group Ltd was the 2007 winner in the IT and Communications category for her company's movie dubbing computer software, Voice Q.



January 2008

Iwi Radio Upgrade

December and January were particularly busy for the Iwi Radio Upgrade Project Team who worked throughout the Christmas / New Year period which was less disruptive for the stations. 17 iwi radio stations fully installed by month end.

Review of digital broadcasting regulation

This month, the Ministry for Culture and Heritage published a discussion document on the review of digital broadcasting regulation in New Zealand and called for public submissions and feedback.



April 2008

ANZAC Day-Screens on Māori Television

Office relocation

Te Māngai Pāho relocates to Eagle Technology House, 135 Victoria Street, Wellington.

Punga.net 2

Minister of Māori Affairs approves development of new iwi radio distribution network, Punga.net 2.



February 2008

Waitangi Day

Waitangi Day Coverage – Screens on Māori Television

International Mother Language Day

The United Nations Educational, Scientific and Cultural Organisation (UNESCO) proclaimed 21 February 2008 International Mother Language Day to stress the importance of linguistic diversity and promote the use of mother languages.



March 2008

Inaugural World Indigenous Television Broadcasters' Conference (WITBC)

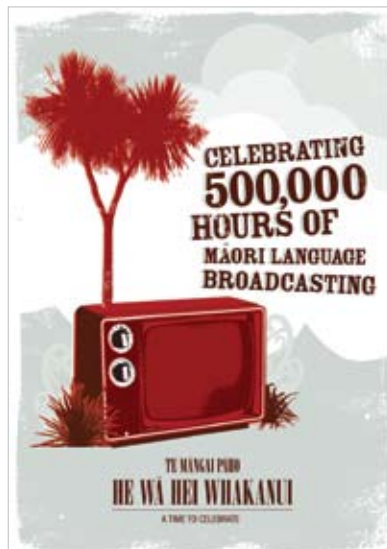
WITBC was hosted in Auckland by Māori Television. The three-day hui was the first ever gathering of indigenous television leaders from throughout the world. A World Indigenous Television Broadcasters' Network was also launched as part of the event.

Broadcasting Act Amendment

Broadcasting Act amendment broadens TMP's funding powers to reflect new digital technology. TMP also empowered to fund audiovisual archiving.

Te Reo channel

Māori Television launches Te Reo, the first 100% Māori language channel on the digital FreeView platform.



May 2008

Celebration of 500,000 hours of Māori language broadcasting.

A function was held at Parliament on 19 May 2008 to mark the achievement of 14,000 hours of television programming and 500,000 hours of Māori language radio programming funded by Te Māngai Pāho.



June 2008

Rain of The Children

Rain of The Children's world premiere was held at the Sydney Film Festival (In Competition) on 7 June 2008.

Broadcasting achievement

TV accumulated broadcasting hours:
14,268 hours

Radio accumulated broadcasting hours:
533,949 hours

Directory

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AUDITOR Audit New Zealand
on behalf of the Auditor-General

BANKER Westpac

SOLICITORS Simpson Grierson
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Board Members

BOARD MEMBERS	JACQUELINE TE KANI Chair	TE RIPOWAI HIGGINS
	PAREKĀWHIA MCLEAN	GINA RANGI
	HEREWINI TE KOHA	REVEREND MAURICE GRAY

Staff

STAFF	JOHN BISHARA Chief Executive	THOMAS HOOD Acting Manager, Television Funding Portfolio
	TERESA WAIKARI Acting Manager, Corporate Services	LYNNE PARR Advisor, Television Funding Portfolio
	SARAH SHAO Corporate Accountant	CAYTION WINEERA Administrator, Television Funding Portfolio
	MABEL MAKOMBORE Contracts Advisor	CARL GOLDSMITH Manager, Radio Funding Portfolio
	SERENA HAKIWAI Office Manager	ROCHELLE POWERS Advisor, Radio Funding Portfolio
	RUTH KATENE Office Administrator / Receptionist	



Te Whakarunghau o Māori Reo Hirangi Māori



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