



# Tauākī Ā-Whāinga Whakatutuki

Statement of Performance Expectations

2018/19



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## Te Māngai Pāho Statement of Performance Expectations 2018/19

Presented to the House of Representatives

Pursuant to section 149L of the Crown Entities Act 2004

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## 1

## He Kupu Whakataki nā te Poari o Te Māngai Pāho

### Introduction on Behalf of the Board of Te Māngai Pāho

**Ka perea taku pere i te tihi o Aoraki matatū**

**Huri taiāwhio i kā mauka kōrero huri noa i kā motu**

**Me kā tihi whakatauki o te ao kōhatu**

**E tā e! Kia huri mai te tarika ki te whakaroko ki te taki a te mātuhi e taki nei**

**Tui, tui, tuituia**

**Huri noa i kā wāhi i takoto ai te kuru-auhuka, te kuru-tokarewa, te tiki pounamu**

**Kā taoka whakapaipai o mua, kā tohu rakatira o te Māori**

**Titia ki te ūpoko, te piki kōtuku, te piki huia, te raukura, te tikumu**

**Whakakaitia ki te tarika, te pōhoi toroa, te ika pounamu**

**Heia nei te kakī, te hei taramea, te tiki pounamu**

**Heoi anō kei ōku kōkōuri, kei ōku kōkōtea**

**Kia kauraka rawa e wareware**

**Ko te tino taoka o te Māori ko tō tātou reo**

**I rahirahi ai a tarika whakaroko**

**I te reo wahapū o te korokoro tūi e taki nei**

**Tihe mauriora!**


### Tēnā koutou katoa

We are pleased to present Te Māngai Pāho's 2018/19 Statement of Performance Expectations which reflects our proposed performance targets and forecast financial information for the 2018/19 financial year.

The coming year is one of significant transition for Te Māngai Pāho and the Māori media sector as we continue to develop a more collaborative approach to the work we undertake. During the next 12 months it is expected that our work with others in the sector will generate changes in approach that will demand Te Māngai Pāho produces a new Statement of Intent. In the interim this document sets out:

- Our initial response to the passing of Te Ture Mō Te Reo Māori 2016;
- What we want to achieve and how we will assess our performance against the objectives of our strategies;
- Our annual performance targets, performance measures and budgets in accordance with section 149E of the Crown Entities Act 2004; and
- Our forecast financial statements for the year ending 30 June 2019 in accordance with section 149G of the Crown Entities Act 2004.

**Dr Eruera Tarena**  
Board Chair  
Te Māngai Pāho



1 May 2018

**Brian Morris**  
Deputy Chair  
Te Māngai Pāho



1 May 2018

## 2

## Horopaki Whakahaere

### Our Operating Context

**Te Māngai Pāho is in a period of significant change because of two key influences: first, rapidly fragmenting audiences for traditional linear broadcast platforms demand new strategies to ensure the content we fund reaches the intended audiences; and, secondly the enactment of Te Ture mō Te Reo Māori 2016 (The Māori Language Act 2016).**

**The Act affirms the status of the Māori language as the indigenous language of New Zealand, as a taonga of iwi and Māori, as a language to be valued by the nation and as an official language of New Zealand.**

The Act recognises distinct and complementary roles for the Crown and Māori in partnering to revitalise the Māori language. Each partner has developed or is developing their own Māori Language Strategy:

- Maihi Karauna Strategy, focuses on national matters and the responsibility of the Crown; and
- Maihi Māori Strategy, focuses on matters at a whānau, hapū, iwi and community level and the responsibility of iwi and Māori, through Te Mātāwai.

Te Māngai Pāho, a Crown entity, contributes to the Crown strategy by funding Māori language content in the form of: music, radio and television programming, digital and new media content. It also funds other activities that promote Māori language and culture. The aim is that these initiatives contribute to the goal of increasing the number of New Zealanders that value, learn and use te reo Māori.

Central to the approach of Te Māngai Pāho is collaboration. Te Māngai Pāho is committed to working with others in the Māori language revitalisation and media space to deliver a collective impact which is greater than the sum of our parts. Fundamental to the success of this approach is the assumption that all participants subscribe to the Crown / Te Mātāwai shared vision "Kia Mauri Ora Te Reo".

For its part, over recent months Te Māngai Pāho has worked with key stakeholders to develop 'He Mahere Whakapuaki Reo (2018 – 2021)', a new strategy for the Māori media sector. The strategy is aligned with the Crown's draft Maihi Karauna Strategy. It also informs many of the decisions underlying this document.

To support the sector strategy, Te Māngai Pāho will seek to maximise the contribution of its funding decisions to the shared vision. In the short term this will result in an increased focus on the quality content and audience engagement. Ultimately Te Māngai Pāho will transition to a platform agnostic funder of good quality content that is re-useable on a wide variety of platforms, thereby increasing the opportunity for that content to reach the widest possible audience when and how they want it.

# 3

## Kaupapa Hei Whakatutuki What We Want to Achieve

Our vision is **Māori language – everywhere, every day, in every way!** It reflects the Maihi Karauna vision ‘Kia māhorahora te Reo’.

For this to be achieved we work to have **more people speaking more Māori and a greater awareness of Māori values, practices and views within Aotearoa New Zealand.**

Our work focuses on ensuring te reo Māori is valued. We do this by exposing whānau, hapū, iwi, Māori communities and all New Zealanders to quality te reo Māori and tikanga Māori programmes in their everyday lives.

We aim to be ambitious, innovative and inclusive in the way we go about our business; delivering better results and improved services for New Zealanders. Our approach considers:

- Creation: creating content that is engaging and relevant
- Audience: growing engagement with our target Māori language audiences
- Accessibility: ensuring the accessibility of our content
- Capacity: growing resources and nurturing Māori talent.

We also seek to ensure an appropriate level of support is provided by other national broadcasters and distribution platforms for Māori language and cultural content in order that te reo Māori and tikanga Māori content is accessible to wider audiences.

Across all we do, our objectives are to:

- Grow audience
- Grow relevance
- Grow resources.

These requirements are reflected in our Outcome Framework and Purchase and Funding Framework. The outcomes we seek drive our short to medium-term funding policy, management and operational decisions.

## Poutarāwaho Whakaputa Hua Our Outcome Framework

The diagram below sets out our updated Outcome Framework.

<b>Vision</b>	<b>Ahakoā kei whea, Ahakoā āwheā, Ahakoā pēwheā, Kōrero Māori!</b> Māori language – everywhere, every day, in every way!			
<b>Major Outcome</b>	Kia kaingākautia te reo me te ahurea Māori e Aotearoa whānui Māori language and culture is embraced by all New Zealanders			
<b>Intermediate Outcome</b>	Whānau, hapū, iwi and wider Aotearoa increasingly experience te reo Māori and tikanga Māori			
<b>Te Māngai Pāho Strategies</b>	Investment in initiatives that grow consumption of Māori content and increase understanding of Māori language and culture		Investment in content that grows engagement and promotes Right-shift	
<b>2018/19 Key Priorities</b>	<b>Audience</b> Growing engagement with our target Māori language audience	<b>Creation</b> Funding creative content that is engaging and personal	<b>Accessibility</b> Ensuring the accessibility of our content	<b>Capacity</b> Attracting and nurturing Māori talent
<b>2018/19 Key Activities</b>	Agree a common data path with other agencies Implement a measure for audience engagement Balance the desire to grow audiences with the needs of fluent audiences	Review the content purchased from iwi radio focusing on new local content Improve quality of funded content particularly for rangatahi Develop more agile funding arrangements	Strengthen the capacity and viability of existing platforms Ensure that all funded content is available on multiple platforms	Support training initiatives that improve knowledge and capacity Develop innovative partnerships to grow resources Encourage a single Māori news service

# Tikanga Matua ā-Toha Pūtea

## Key Funding Areas

The allocation of contestable funding expenditure will be made in accordance with our Purchase and Funding Framework. Te Māngai Pāho anticipates that in the 2018/19 financial year, our funding dollars will be allocated to target audiences in the below Purchase and Funding Framework.

### Te Māngai Pāho Purchase and Funding Framework



# Te Ine Whakatutukinga Measuring Our Performance

## Strategy Impact

**We intend to work collaboratively with entities that share a direct stake in achieving Māori language outcomes to rationalise effort around outcome measurement and evaluation.**

To date we have utilised longitudinal nationwide Māori language surveys such as the *Survey of the Health of the Māori Language*, the *Survey of the Attitudes, Values and Beliefs towards the Māori Language* and Statistics New Zealand's *Te Kupenga Survey* to measure progress toward our respective and complementary Māori language outcomes and to see if our collective efforts are having the impact we seek.

Te Māngai Pāho has also commissioned an annual Māori Programming Audience Survey. This research is to provide further information about our audiences and to quantify the impact broadcasting has on audience perspectives and understanding of te reo Māori and tikanga Māori. Our Strategy impact measures have been based on this research for many years. Over this time however, the media and communications sector has been changing rapidly, with multiple delivery platforms now available and more audience choice leading to greater audience fragmentation. As a consequence, Te Māngai Pāho has been obliged to develop alternative mechanisms for measuring the effectiveness of our strategies and our funding.

Te Māngai Pāho has worked with a data provider to develop a methodology for measuring Right-shift. In 2018/19 we plan to introduce the model as an indicator of the change in our audiences and the progress of Māori language revitalisation. We expect that our collaboration with other agencies in the sector will strengthen both the integrity and value of our model.

## The ZePA Model

**As a Māori language agency tasked with promoting and revitalising Māori language and culture by funding broadcasters and Māori language programmes, Māori culture programmes and music producers, our challenge is to ensure that the initiatives we fund demonstrate a tangible impact on Māori language and Māori cultural outcomes.**

The academic literature on language revitalisation is well-developed<sup>1</sup> and various theories have been applied in the development of strategies to address Māori language loss. These theories have also influenced how these strategies have been measured. More recent research has highlighted the important impact of societal ideologies, and the value and attitudes attributed to the language by society, on language revitalisation. Language values are an inherent factor of language choice amongst bilingual Māori communities. Against this background, current revitalisation strategies emphasise shifting this ideology to advance the Māori language and encourage normalisation across the nation.

Te Māngai Pāho has adopted the ZePA model and the Right-shift approach. The ZePA<sup>2</sup> model highlights how Right-shifting the position of an individual from Zero to Passive to Active can strengthen the position of the language within society. The key difference is that the emphasis is not simply on moving directly from Zero to Active. Right-shifting an individual from Zero to Passive can generate increased awareness and support for language revitalisation more broadly, and the subsequent Right-shift from Passive to Active is then easier to achieve.

As noted above, the challenge however is to measure the impact that Right-shifting initiatives are having. To this end Te Māngai Pāho commissioned the development of a ZePA measurement scale. This measurement is based on creating a representation of how the New Zealand population is situated on the ZePA continuum at a point in time. Survey respondents are classified according to their *attitudes* and *behaviours* in relation to te reo Māori and tikanga Māori. The scale is not a measurement of fluency.

## ZePA Measurement Scale

The ZePA model is a learning continuum for te reo Māori that comprises three major states or zones:

- Zero - in which there is no use and no receptivity towards Māori language
- Passive - in which an individual is accommodating of Māori language.
- Active - in which the individual actively strives to advance the Māori language

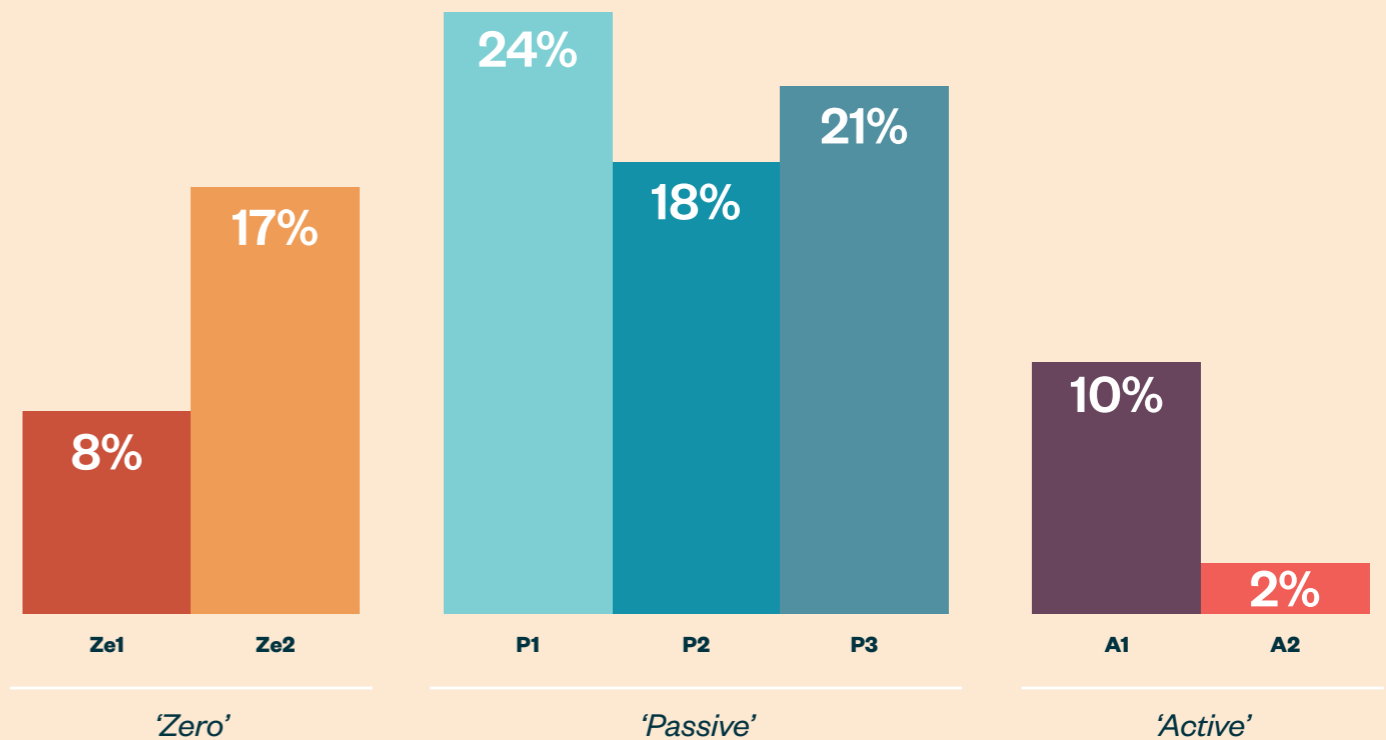
To achieve language revitalisation and normalisation within society, individuals need to be moved along this learning continuum which is described as 'Right-shift'.

Right-shifting is not only achieved by shifting an individual from one zone to another but also by shifting within a zone.

The ZePA measurement model provides one means of segmenting survey respondents along a language and cultural behaviour continuum. It allows for the segments to be analysed within the context of Te Māngai Pāho's annual Audience Survey.

The graph below shows the percentage of the New Zealand population that falls within each ZePA model segment.

## ZePA model segmentation (2017)



<sup>1</sup> See, for example, Fishman, Joshua (1991). Reversing language shift: theoretical and empirical foundations of assistance to threatened languages; Clevedon, Multilingual Matters; Spolsky, Bernard (2003). Reassessing Māori Regeneration. (Language in Society, 32(4): 553-578).

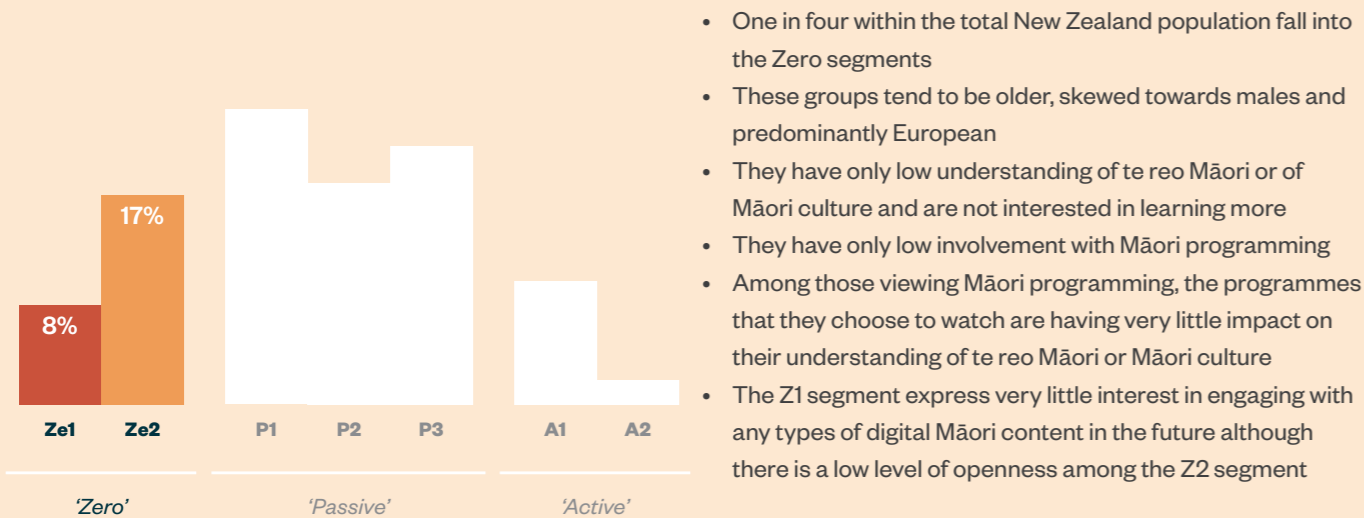
<sup>2</sup> Higgins, R. & Rewi, P., Indigenous Languages within the Entity. (Language, Education and Diversity Conference paper. Auckland University June 2011).

# Explanation of ZePa Segments

## Zero Segments Ze1 and Ze2

The Zero segments have only low engagement with Māori programming currently and little interest to do so in the future

### Zero segments

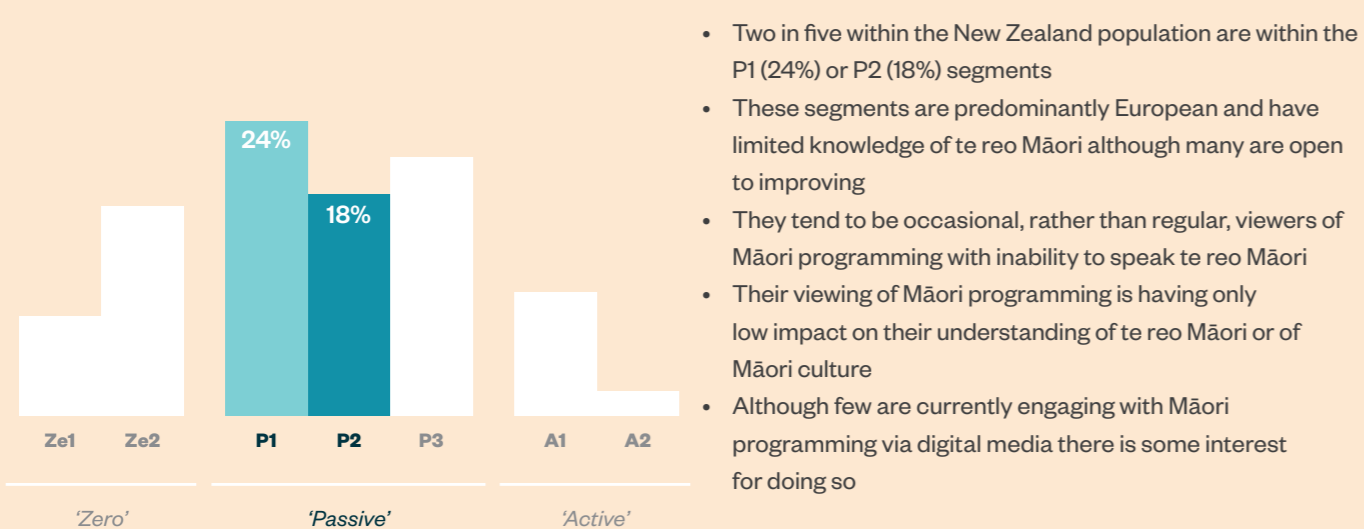


- One in four within the total New Zealand population fall into the Zero segments
- These groups tend to be older, skewed towards males and predominantly European
- They have only low understanding of te reo Māori or of Māori culture and are not interested in learning more
- They have only low involvement with Māori programming
- Among those viewing Māori programming, the programmes that they choose to watch are having very little impact on their understanding of te reo Māori or Māori culture
- The Z1 segment express very little interest in engaging with any types of digital Māori content in the future although there is a low level of openness among the Z2 segment

## Passive Segments P1 and P2

The P1 and P2 Passive segments have low engagement with Māori programming currently but there is opportunity to build this, although content will need to be primarily in English

### P1 and P2 Passive segments

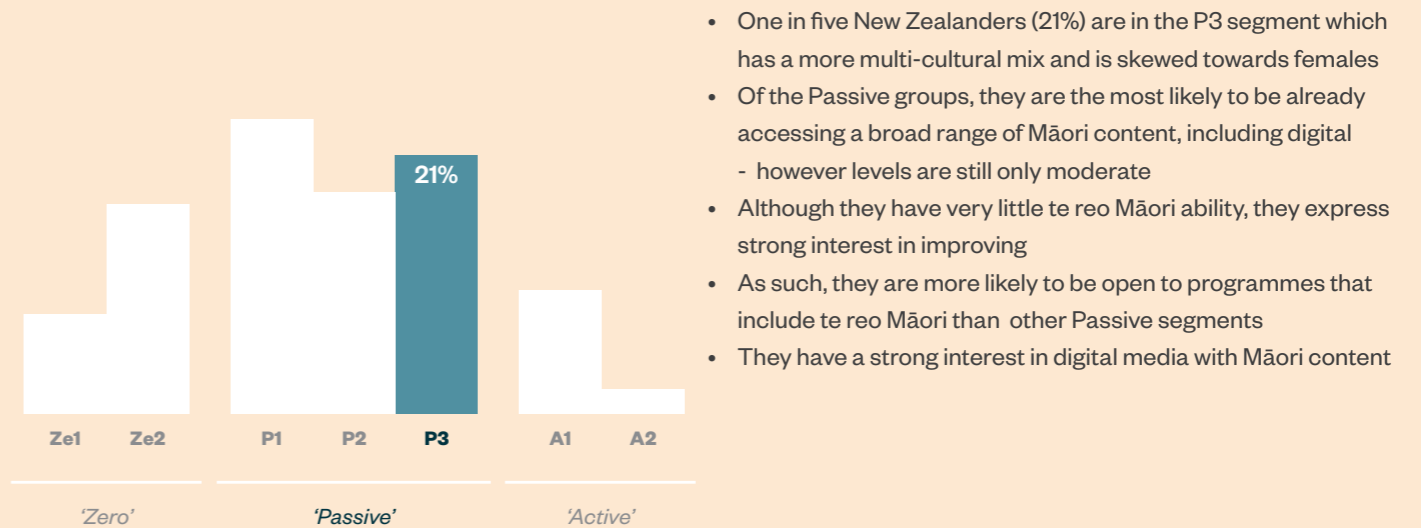


- Two in five within the New Zealand population are within the P1 (24%) or P2 (18%) segments
- These segments are predominantly European and have limited knowledge of te reo Māori although many are open to improving
- They tend to be occasional, rather than regular, viewers of Māori programming with inability to speak te reo Māori
- Their viewing of Māori programming is having only low impact on their understanding of te reo Māori or of Māori culture
- Although few are currently engaging with Māori programming via digital media there is some interest for doing so

## Passive Segments P3

Of the Passive segments, P3 are the most engaged with Māori programming and are the most likely to be open to programming that improves their understanding of te reo Māori or Māori culture

### P3 Passive segments

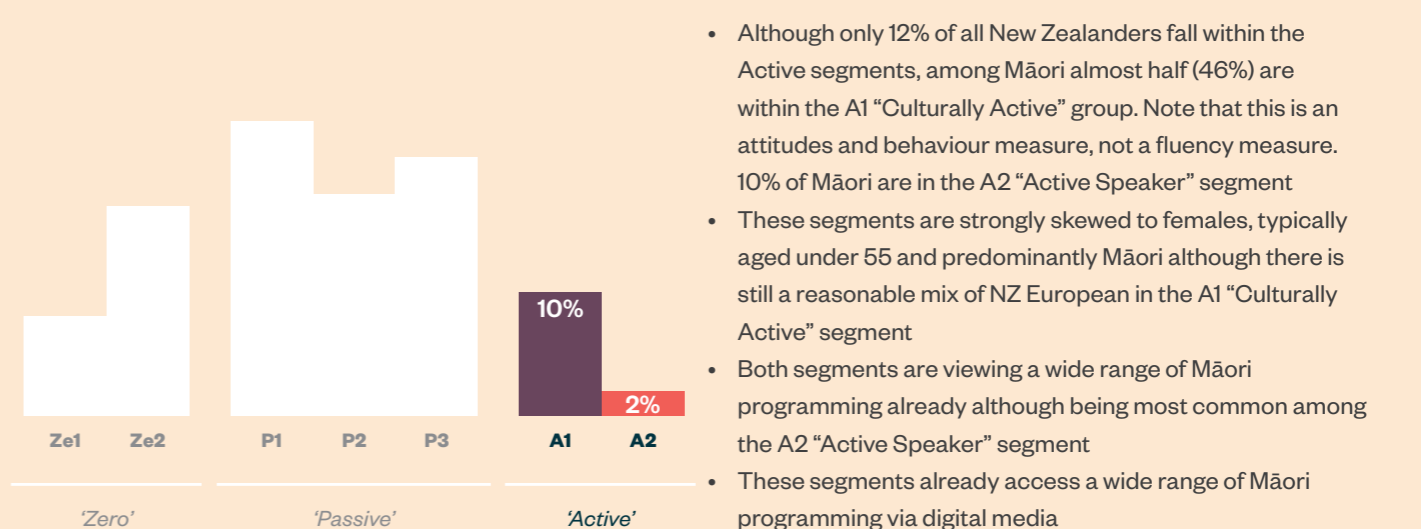


- One in five New Zealanders (21%) are in the P3 segment which has a more multi-cultural mix and is skewed towards females
- Of the Passive groups, they are the most likely to be already accessing a broad range of Māori content, including digital - however levels are still only moderate
- Although they have very little te reo Māori ability, they express strong interest in improving
- As such, they are more likely to be open to programmes that include te reo Māori than other Passive segments
- They have a strong interest in digital media with Māori content

## Active Segments A1 and A2

The Active segments are already accessing a wide range of Māori programming but there is opportunity to build further in areas such as iwi radio and digital media

### Active segments



- Although only 12% of all New Zealanders fall within the Active segments, among Māori almost half (46%) are within the A1 "Culturally Active" group. Note that this is an attitudes and behaviour measure, not a fluency measure. 10% of Māori are in the A2 "Active Speaker" segment
- These segments are strongly skewed to females, typically aged under 55 and predominantly Māori although there is still a reasonable mix of NZ European in the A1 "Culturally Active" segment
- Both segments are viewing a wide range of Māori programming already although being most common among the A2 "Active Speaker" segment
- These segments already access a wide range of Māori programming via digital media
- The A2 segment is most likely to be positively impacted by the Māori programming they are viewing in terms of improved understanding of te reo Māori and Māori culture

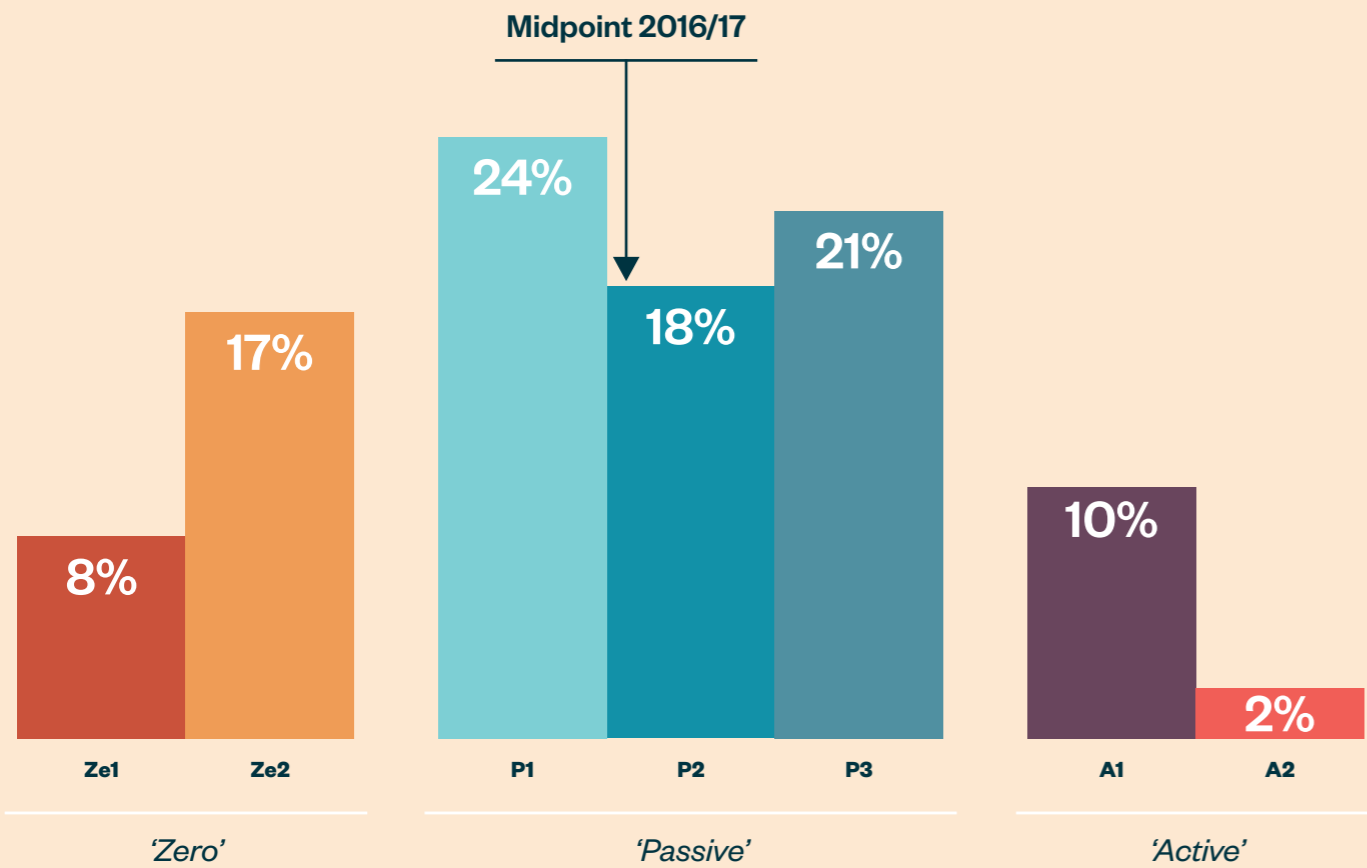
# Te Rautaki a Te Māngai Pāho

## Te Māngai Pāho Strategy:

Investment in content that grows engagement and promotes Right-shift

### Tikanga Māori

### Right-shift



Impact	Strategy Impact Measure	2016/17 ZePA Measurement Survey	2018/19 Target
<b>Whānau, hapū, iwi and wider Aotearoa increasingly experience te reo Māori and tikanga Māori</b>	<b>Right-shift has occurred in the New Zealand population.</b>		
	The midpoint for the New Zealand population in terms of attitudes and behaviours towards te reo Māori and tikanga Māori has shifted to the right on the ZePA measurement scale.	Midpoint = 1/18 of P2	Midpoint is to the right of the 2016/17 measure
	The percentage of the NZ population in the Ze1 and Ze2 segments has decreased	25%	< 25%
	The percentage of the NZ population in the P1 segment has increased	24%	> 24%
	The percentage of the NZ population in the P3 segment has increased	21%	> 21%
	The percentage of the NZ population in the A1 and A2 segments has increased	12%	> 12%



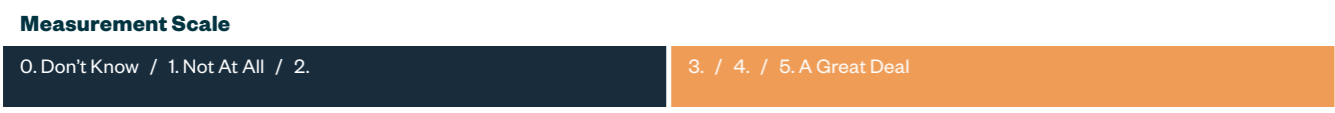
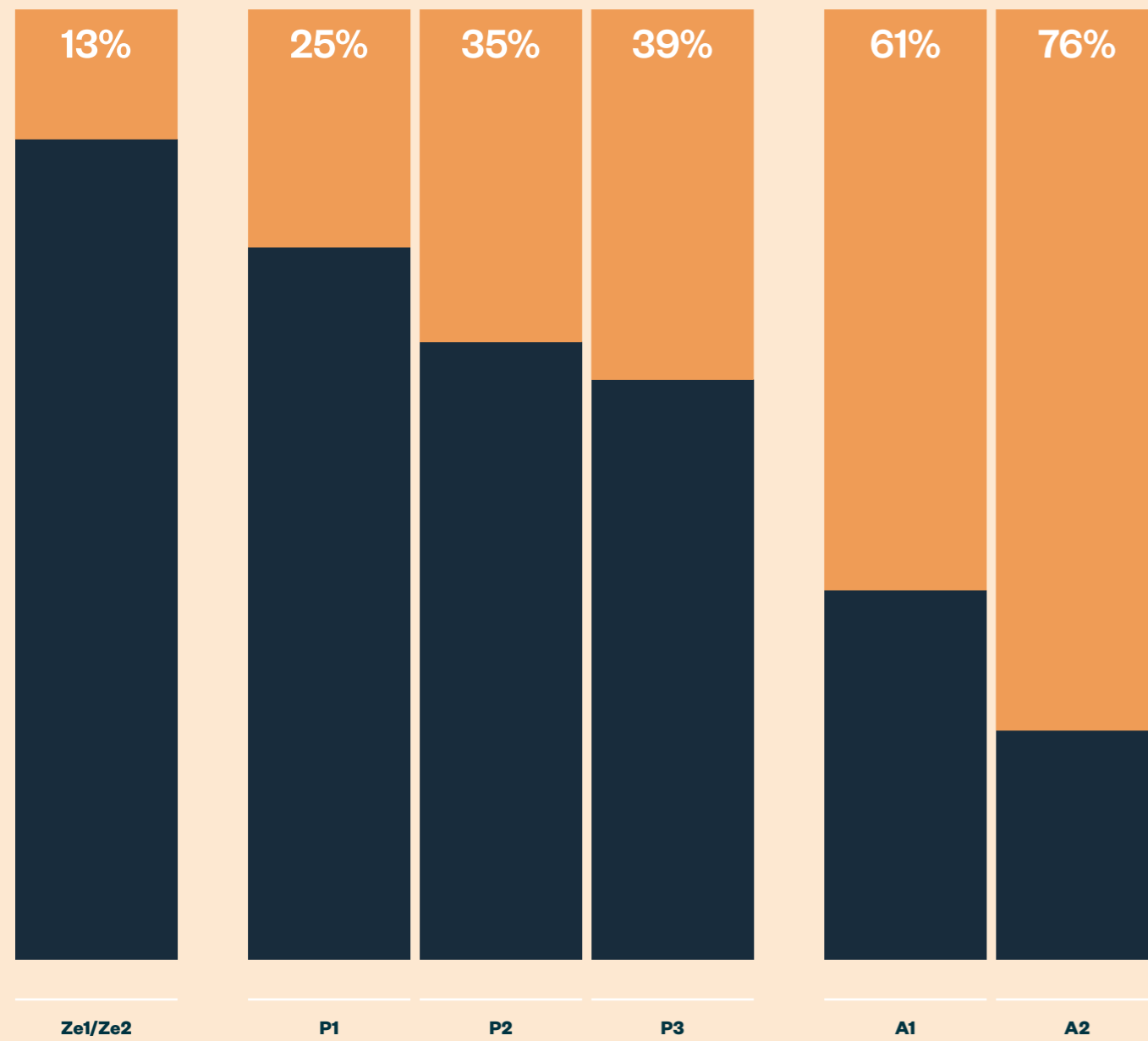
# Te Rautaki a Te Māngai Pāho

## Te Māngai Pāho Strategy:

Investment in initiatives that grow consumption of Māori content and increase understanding of Māori language and culture

### Te Reo Māori

#### My understanding of te reo Māori has increased

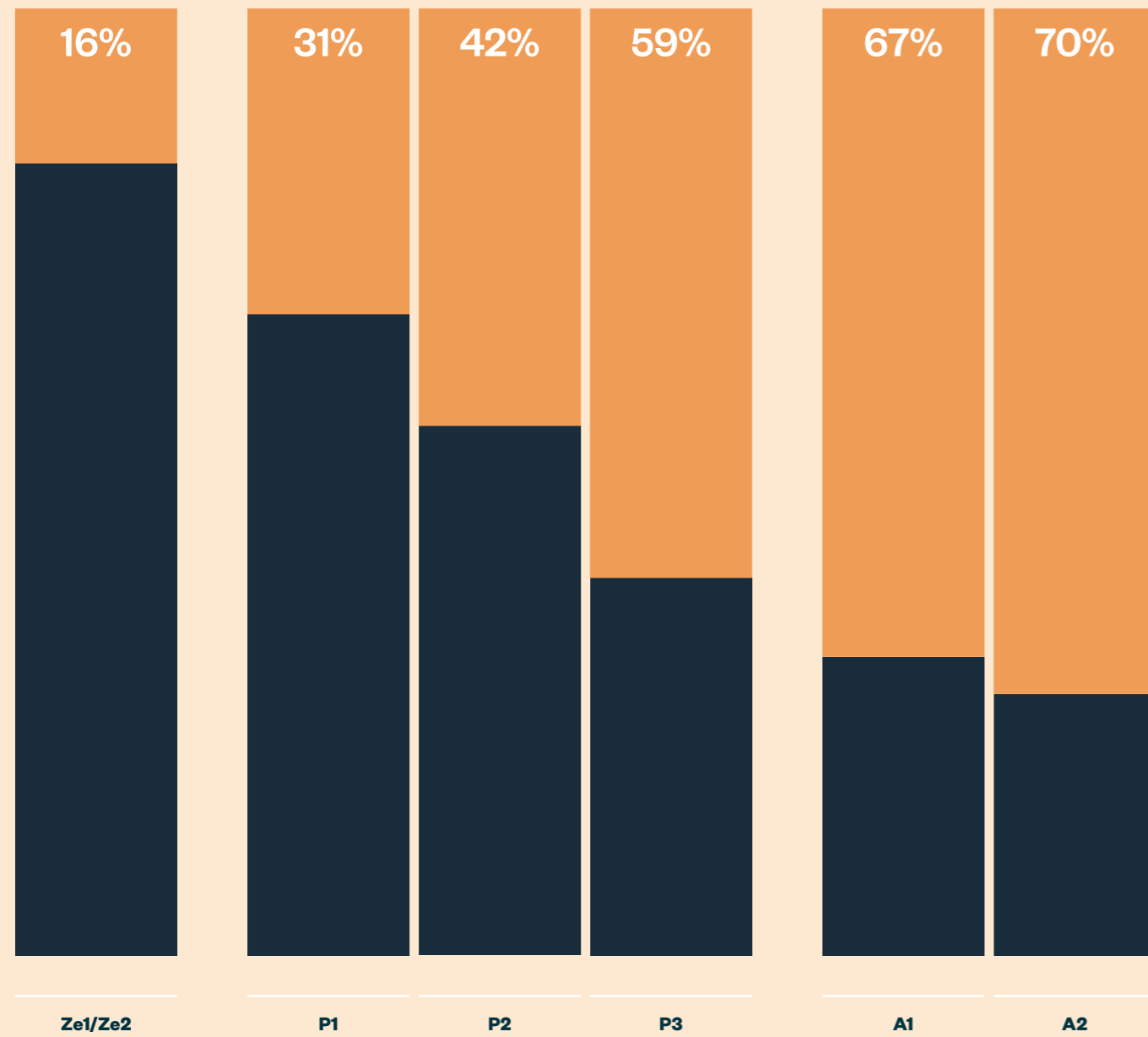


Source: Te Māngai Pāho 2017 ZePA Measurement Survey

Impact	Strategy Impact Measure	2016/17 ZePA Measurement Survey	2018/19 Target	
Whānau, hapū, iwi and wider Aotearoa increasingly experience te reo Māori and tikanga Māori	More New Zealanders say that their understanding of te reo Māori has increased as measured by the change in the top three fifths of the five point measurement scale			
	“Zero” Audience Category (Ze1 and Ze2)	13%	>13%	
	“Passive” Audience Category (P1, P2, P3)	P1	25%	>25%
		P2	35%	>35%
		P3	39%	>39%
	“Active” Audience Category	A1	61%	>61%
A2		76%	>76%	

## Tikanga Māori

### My understanding of Māori culture has increased



#### Measurement Scale

0. Don't Know / 1. Not At All / 2.

3. / 4. / 5. A Great Deal

Source: Te Māngai Pāho 2017 ZePa Measurement Survey

Impact	Strategy Impact Measure	2016/17 ZePA Measurement Survey	2018/19 Target	
Whānau, hapū, iwi and wider Aotearoa increasingly experience te reo Māori and tikanga Māori	<b>More New Zealanders say that their understanding of Tikanga Māori has increased</b>			
	<b>“Zero” Audience Category</b> (Ze1 and Ze2)	16%	>16%	
	<b>“Passive” Audience Category</b> - P1, P2, P3	P1	31%	>31%
		P2	42%	>42%
		P3	59%	>59%
	<b>“Active” Audience Category</b>	A1	67%	>67%
		A2	70%	>70%

# Whakapaunga Pūtea Āmua

## Forecast Output Expenditure

### Cost of Services

The cost of the activities purchased by the Minister for Māori Development is set out below. Forecast total revenue and expenses are as disclosed in the forecast financial statements on page 28.

Details of actual and forecast revenue and expenditure are set out below:

Forecast Revenue And Expenditure	2017/18		2018/19
	Estimated	Actual	Forecast
	\$M		\$M
<b>Revenue</b>			
Total Appropriations	58.7		58.7
Total Interest Received	0.7		0.6
Total Other Revenue	0.2		0.1
<b>TOTAL REVENUE</b>	<b>59.6</b>		<b>59.4</b>
<b>TOTAL EXPENDITURE</b>			
	<b>59.8</b>		<b>59.4</b>
Net Movement in Reserves as per Statement of Prospective Comprehensive Revenue and Expense	(0.2)		0.0
<b>Output Expenses</b>			
Māori Programmes for Television	40.1		36.0
Digital and New Media	2.0		4.0
Māori Radio and Music	13.8		14.0
Other Activities to promote Māori language and culture	1.0		2.0
Total Funding Expenditure	56.9		56.0
Operating Expenditure	2.9		3.4
<b>TOTAL OUTPUT EXPENSES</b>	<b>59.8</b>		<b>59.4</b>

Output Expenses - Estimated Actual figures for 2017/18 have been restated to conform to the reporting format used for the Forecast figures for 2018/19.

### How Performance will be Assessed and End of Year Reporting Requirements

Assessment of Performance	2017/18		2018/19
	Final Budgeted Standard	Estimated Actual	Budget Standard
Te Māngai Pāho contracts for broadcasting and other activities meet key criteria to promote the Māori language and culture	100%	100%	100%
Funding is distributed to third parties for the production and distribution of Māori language content	95%	95%	95%
Percentage increase in audiences for Māori language content	5%	5%	5%
Māori language content funded by Te Māngai Pāho achieves a quality standard of at least 90% on the Māori Language Evaluation Framework	Achieved	Achieved	Achieved

### End of Year Performance Reporting

Performance Information for this appropriation will be provided by Te Māngai Pāho in its Annual Report.

# 4

## Whāinga Whakatutuki Ratonga Performance Expectations

The information below outlines the activities that Te Māngai Pāho intends to deliver in the coming year. These have been grouped under two groups of activities:

- Promotion of Māori Language and Culture
  - Funding the production and distribution of Māori Language Content
  - Other Activities to Promote Māori Language and Culture
- Contract Management

### Funding the production and distribution of Māori Language Content

We intend to achieve promotion of Māori language and culture through the purchasing of music, radio, television, digital and new media content and the promotion of content creation capability.

### Our priorities for 2018/19 include:

#### Audience

- Agreeing a common data pathway with other Māori Language Agencies
- Implementing a quality measure related to audience engagement
- Ensuring that the needs of fluent audiences are not lost in the rush to grow receptive audiences

#### Creation

- Reviewing the content purchased from iwi radio stations
- Developing more flexible “agile” funding arrangements
- Increasing and improving the quality of spend on content, in particular for rangatahi
- Improving iwi radio audience engagement / use of local dialect

#### Accessibility

- Strengthening the capacity and viability of existing platforms
- Ensuring that funded content is available on multiple platforms

#### Capacity

- Facilitating the development of a Māori Media qualification
- Seeking opportunities to partner collaboratively with others to:
  - Increase funding streams/opportunities to promote Māori Language
  - Undertake research
- Encouraging a single Māori news service for all publishers.

These activities will be provided within a total of \$56.0 million (exclusive of GST).

### Quality of Māori Language for All Funded Content

Quality of Māori Language	2016/17 Actual	2017/18 Estimated Actual	2018/19 Forecast
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The following quality measures are based on samples of at least 90% of funded programmes.

<p><b>Quality</b></p> <p>Samples of funded programmes reviewed are assessed as meeting a quality standard of (at least) 4.5 or above on a five-point scale based on our Māori Language Evaluation Framework</p> <p><i>(Quality is assessed on six quality aspects, each on a five-point scale where 5 is Excellent and 1 is Poor).</i></p>	<p>New Combined Measure in 2018/19 (Equivalent result “Achieved”)</p>	<p>N/A</p>	<p>Achieved</p>
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<p><b>Quality</b></p> <p>Māori language content funded by Te Māngai Pāho is assessed as achieving a quality standard of at least 90% on our agreed Māori Language Evaluation Framework</p>	<p>New Measure in 2017/18</p>	<p>New Combined Measure in 2018/19 (Equivalent Estimated result “Achieved”)</p>	<p>N/A</p>
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Note: The Quality standard in 2017/18 was set out separately for Television, Radio and New Media, and read as follows: Māori language content funded by Te Māngai Pāho is assessed as achieving a quality standard of at least 90% on our agreed Māori Language Evaluation Framework. The target in 2016/17 was 80% for TV and Radio.

### Quantity of Māori Language Content for Television

Quantity of Māori Language	2016/17 Actual	2017/18 Estimated Actual	2018/19 Forecast
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The following quantity measures are based on samples of at least 90% of funded programmes.

<p><b>Quantity</b></p> <p>At least 98% of samples of funded programmes are assessed as meeting the required Māori language content according to target audience group.*</p>	<p>98%</p>	<p>&gt;98%</p>	<p>&gt;98%</p>
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Note: The Quantity standard target in 2017/18 was >90%

## Quantity of Māori Language Content for Television

	2016/17 Actual	2017/18 Estimated Actual	2018/19 Forecast
<b>Direct Funding for Māori Television</b>	<b>Hours</b>	<b>Hours</b>	<b>Hours</b>
<b>Target Audience Group</b>			
Fluent Māori Language Speakers (Over 70% Māori language content)	505	505	500
Second language learners (between 30 – 70% Māori language content)	90	90	90
Receptive Audiences (up to 30% Māori language content)	285	285	280
<b>Total Direct Funding Hours</b>	<b>880 Hours</b>	<b>880 Hours</b>	<b>870 Hours</b>

	2016/17 Actual	2017/18 Estimated Actual	2018/19 Forecast
<b>Contestable Television Programme Funding Target Audience Group</b>	<b>Hours</b>	<b>Hours</b>	<b>Hours</b>
<b>Target Audience Group</b>			
Fluent Māori Language Speakers (Over 70% Māori Language Content)	399	500	240
Second language Learners (Between 30 – 70% Māori Language Content)	104	100	80
Receptive Audiences (Up to 30% Māori Language Content)	100.5	149	80
<b>Total Direct Funding Hours</b>	<b>603.5 Hours</b>	<b>749 Hours</b>	<b>400 Hours</b>

	2016/17 Actual	2017/18 Estimated Actual	2018/19 Forecast
<b>Television Audiences</b>			
Increase television audiences for funded programmes across combined broadcast and digital platforms.	New Measure 2017/18	5%	≥5%

## Quantity of Māori Language Content for Digital and New Media

	2016/17 Actual	2017/18 Estimated Actual	2018/19 Forecast
<b>Contestable Digital and New Media Funding</b>			
Number of Digital and New Media Initiatives Funded	14	20	24
Hours of Digital and New Media Initiatives Funded	New Measure 2018/19	New Measure 2018/19	5 Hours

	2016/17 Actual	2017/18 Estimated Actual	2018/19 Forecast
<b>Quality of Content for Digital and New Media</b>			
Quality of Digital and New Media Initiatives Funded	All proposals funded have identified Māori language and/or Māori cultural outcomes and are made available on multiple platforms	Achieved	Achieved

## Quantity of Māori Language Content for Iwi Radio

	2016/17 Actual	2017/18 Estimated Actual	2018/19 Forecast
<b>Quantity of Māori Language</b>			
<i>The following quantity measures are based on samples of at least 90% of funded programmes.</i>			
<b>Quantity</b>			
At least 95% of stations meet the required Māori language content of an average of 10.5 hours per day as measured by the <i>Kōkako</i> language recognition system.	91.6%	>95%	Replaced by New Measure 2018/19
<b>Quantity</b>			
100% of stations meet the required Māori language content of an average of 10.5 hours per day as measured by the <i>Kōkako</i> language recognition system, or alternatively a revised quantity measure incorporating new local content as agreed with Te Māngai Pāho.	New Measure 2018/19	New Measure 2018/19	100%
Target Audience Group: Fluent Māori Language Speakers (Over 70% Māori Language Content)			Replaced by New Measure 2018/19
The number of iwi radio stations that broadcast at least 10.5 hours Māori language content each day within a 24 hour broadcast window.	21	21	
Number of iwi radio stations that produce at least 520 hours of new Māori language content per annum.	N/A	21	Replaced by New Measure 2018/19

## Quantity of Content for Iwi Radio Programmes and Music

Contestable Funding for Radio Programmes and Music	2016/17 Actual	2017/18 Estimated Actual	2018/19 Forecast
<b>Radio Programmes For National Distribution over the Radio Network</b>			
Target Audience Group: Fluent Māori Language Speakers (Over 70% Māori Language Content)	2,455 Hours	2,420 Hours	2,420 Hours
Digital Media File Uploads	8,823 Files	10,000 Files	Not Applicable 2018/19
Average Monthly Number of (unique) Users on Waatea Website per Google Analytics	New Measure 2018/19	New Measure 2018/19	Average >60,000 users/month
<b>Music</b>			
Number of Music Tracks	116	70	100
Number of Music Videos	9	20	30

## Quality Measures for Iwi Radio

Operational Funding for Iwi Radio	2016/17 Actual	2017/18 Estimated Actual	2018/19 Forecast
<b>Broadcast Quality</b>			
The on-air content of station broadcasts is assessed as achieving a quality standard of at least 4 on a five point scale based on our agreed Māori Radio Broadcasting Evaluation Framework <i>(Quality is assessed on twelve quality aspects, each on a five-point scale where 5 is Excellent and 1 is Poor).</i>	New Measure 2018/19	New Measure 2018/19	4
Increase iwi radio listenership across the combined broadcast and digital platforms by ≥5% (2017 2%).	Not Achieved	5%	>5%
<b>Funding for centrally managed Iwi Radio service provider contracts</b>			
For each contract, the percentage of Iwi stations that rank provider service as “satisfactory” or better in a six-monthly survey.	92.5%	>90%	>90%

## Other Activities to Promote Māori Language and Culture

We intend to achieve:

- support for the archiving of Māori radio and television programming; and
- support for other activities to promote Māori language and culture.

These activities will be provided within a total of \$1.0 million (exclusive of GST).

Other Activities to Promote Māori Language and Culture	2016/17 Actual	2017/18 Estimated Actual	2018/19 Forecast
<b>Radio and Television Archiving</b>			
Hours of Television Archiving	610	610	610
Hours of Radio Archiving	500	500	500
Number of Other Activities Funded	New Measure 2017/18	5	10
Quality – All Funded Activities have an approved project plan and results of each Activity are reported to the Board on completion	New Measure 2017/18	100%	100%
<b>Archiving Cost</b>	-	\$0.6m	\$0.6m
<b>Other Initiatives Cost</b>	N/A	\$0.4m	\$1.4m
<b>Total Cost of Other Activities to Promote Māori Language and Culture</b>	-	\$1.0m	\$2.0m

Note: In 2016/17, Archiving cost was included as part of Operating Expenditure

## Costs - Funding the Production and Distribution of Māori language content

	2016/17 Actual	2017/18 Estimated Actual	2018/19 Forecast
	\$M	\$M	\$M
Total Cost of Direct Funding for Māori Television	16.1	16.1	16.0
Total Cost of Contestable Television Programme Funding	23.3	24.0	20.0
<b>Total Cost of Māori Language Content for Television</b>	<b>39.4</b>	<b>40.1</b>	<b>36.0</b>
<b>Total Cost Māori Language Content for Digital and New Media</b>	<b>1.3</b>	<b>2.0</b>	<b>4.0</b>
Iwi Radio Operational Funding Cost	10.5	10.5	10.5
Centrally Managed Service Provider Contracts Cost	1.2	1.3	1.3
Cost for Contestable Funding for Radio Programmes and Music	2.0	2.0	2.2
<b>Total Cost of Māori Language Content for Iwi Radio</b>	<b>13.7</b>	<b>13.8</b>	<b>14.0</b>
<b>Total Cost of Other Activities to Promote Māori Language and Culture</b>	<b>-</b>	<b>1.0m</b>	<b>2.0m</b>
<b>Total Cost of Māori Language Content</b>	<b>54.4m</b>	<b>56.9m</b>	<b>56.0m</b>

## Operating Expenditure

We intend to achieve:

- the sound management and disbursement of funds to promote Māori language and culture;
- the maintenance of systems and procedures to assist Te Māngai Pāho meeting its Statutory Functions;

Our priorities for 2018/19 are to:

- *implement a measure for our Right-shift strategy;*
- *develop a measure for audience engagement.*

These activities will be provided within the forecast cost of \$3.4 million (exclusive of GST).

Contract Management	2016/17 Actual	2017/18 Estimated Actual	2018/19 Forecast
Contracts for broadcasting and other activities meet key criteria to promote the Māori language and culture	New Measure 2017/18	100%	100%
Funding Recipients independently reviewed to ensure that reported costs are appropriate, complete and correct.	2 Radio 2 Contracts for TV	2 Radio 3 Contracts for TV	2 Radio 3 Contracts for TV, Digital and New Media
Percentage of completed reviews with final recommendations fully accepted by funding recipient	100%	>95%	100%
<b>Total Operating Expenditure</b>	<b>\$2.8m</b>	<b>\$2.9m</b>	<b>\$3.4m</b>

Note: Archiving Cost in 2016/17 of \$0.575m was included in Operating Expenditure

# 5

## Arotakenga ā-Hauora, ā-Pūkaha O Te Whakahaere Assessing Organisational Health and Capability

Focus Area	Performance Measure	Performance Indicator
<b>Good Employer</b>	Annual Staff Turnover	10% or less [2016/17 18%]
	Zero tolerance of harassment bullying and discrimination	Achieved [2016/17 Achieved]
	Equal Employment Opportunity principles included in all relevant documents and practices	Achieved [2016/17 Achieved]
<b>Managing Risk</b>	No funding commitments are overturned as a result of an identified departure from Te Māngai Pāho's statutory requirements, guidelines and policies	Achieved [2016/17 Achieved]
<b>Management Control Environment</b>	Annual audit rating	Achieve "Very Good" rating [2016/17: "Good"]
<b>Financial Information Systems And Controls</b>	Annual audit rating	Achieve "Very Good" rating [2016/17: "Very Good"]
<b>Service Performance Information And Associated Systems And Controls</b>	Annual audit rating	Achieve "Very Good" Rating [2016/17: "Good"]
<b>Effectiveness And Efficiency</b>	At least 95% of the appropriation/ funding is distributed to third parties to fund the production and distribution of Māori language content	At least 95% [2016/17 96.1% (Equivalent Measure)]

## 6

## Tauāki ā-Pūtea Āmua

### Prospective Financial Statements

#### Statement of Prospective Comprehensive Revenue and Expense

For the year ending 30 June 2019

	2016/17		2017/18	2018/19
	Actual	Estimated	Actual	Forecast
	\$M	\$M	\$M	\$M
<b>Revenue</b>				
Funding from the Crown	56.2	58.7	58.7	58.7
Interest revenue	0.7	0.7	0.7	0.6
Other revenue	0.1	0.2	0.2	0.1
<b>Total revenue</b>	<b>57.0</b>	<b>59.6</b>	<b>59.6</b>	<b>59.4</b>
<b>Funding Expenditure</b>				
Māori Programmes for Television	39.4	40.1	40.1	36.0
Digital and New Media	1.3	2.0	2.0	4.0
Māori Radio	13.7	13.8	13.8	14.0
Other Activities to promote Māori Language and Culture	-	1.0	1.0	2.0
<b>Total funding expenditure</b>	<b>54.4</b>	<b>56.9</b>	<b>56.9</b>	<b>56.0</b>
<b>Operating Expenditure</b>				
<b>Total operating expenditure</b>	<b>2.8</b>	<b>2.9</b>	<b>2.9</b>	<b>3.4</b>
<b>Total expenditure</b>	<b>57.2</b>	<b>59.8</b>	<b>59.8</b>	<b>59.4</b>
<b>NET SURPLUS/(DEFICIT)</b>	<b>(0.2)</b>	<b>(0.2)</b>	<b>(0.2)</b>	<b>(0.0)</b>
Other Comprehensive Revenue and Expense	0.0	0.0	0.0	0.0
<b>TOTAL COMPREHENSIVE REVENUE AND EXPENSE</b>	<b>(0.2)</b>	<b>(0.2)</b>	<b>(0.2)</b>	<b>(0.0)</b>

The accompanying accounting policies form part of these financial statements. Actual figures for 2016/17 and Estimated Actual figures for 2017/18 are restated to conform to the reporting format for the Forecast figures for 2018/19.

#### Statement of Prospective Changes in Public Equity

For the year ending 30 June 2019

	2017/18	2018/19
	Estimated Position 30 June 2018	Forecast Position 30 June 2019
	\$M	\$M
BALANCE AT 1 JULY	2.6	2.4
Total comprehensive revenue and expense for the year	(0.2)	(0)
<b>BALANCE AT 30 JUNE</b>	<b>2.4</b>	<b>2.4</b>

#### Statement of Estimated Financial Position

As at 30 June 2018, and

#### Prospective Financial Position

As at 30 June 2019

	2017/18	2018/19
	Estimated Position 30 June 2018	Forecast Position 30 June 2019
	\$M	\$M
<b>PUBLIC EQUITY 30 JUNE</b>	<b>2.4</b>	<b>2.4</b>
<i>Represented by:</i>		
<b>Assets</b>		
<b>Current assets</b>		
Cash and cash equivalents	2.6	2.8
Investments	14.0	13.5
Debtors and other receivables	0.2	0.2
<b>Total current assets</b>	<b>16.8</b>	<b>16.5</b>
<b>Non-current assets</b>		
Property, plant and equipment	0.1	0.2
Intangible assets	0.2	0.4
<b>Total non-current assets</b>	<b>0.3</b>	<b>0.6</b>
<b>TOTAL ASSETS</b>	<b>17.1</b>	<b>17.1</b>

The accompanying accounting policies form part of these financial statements.



## Prospective Financial Position (Continued)

	2017/18 Estimated Position 30 June 2018	2018/19 Forecast Position 30 June 2019
	\$M	\$M
<b>Liabilities</b>		
Creditors and other payables	0.6	0.5
Employee entitlements	0.1	0.1
Funding provisions	14.0	14.1
<b>Total current liabilities</b>	<b>14.7</b>	<b>14.7</b>
<b>TOTAL LIABILITIES</b>	<b>14.7</b>	<b>14.7</b>
<b>NET ASSETS</b>	<b>2.4</b>	<b>2.4</b>

## Statement of Prospective Cash Flows

For the year ending 30 June 2019

	2017/18 Estimated Position 30 June 2018	2018/19 Forecast Position 30 June 2019
	\$M	\$M
<b>Cash flows from operating activities</b>		
<b>Cash provided from –</b>		
Receipts from the Crown	58.7	58.7
Interest received	0.7	0.6
Receipts from other revenue	0.1	0.1
	<b>59.5</b>	<b>59.4</b>
<b>Cash applied to –</b>		
Payments to employees	(1.3)	(1.3)
Payments to suppliers	(1.8)	(1.7)
Payments to broadcasters and programme producers	(57.6)	(56.2)
	<b>(60.7)</b>	<b>(59.2)</b>
<b>Net cash flows from operating activities</b>	<b>(1.2)</b>	<b>0.2</b>

## Statement of Prospective Cash Flows (Continued)

	2017/18 Estimated Position 30 June 2018	2018/19 Forecast Position 30 June 2019
	\$M	\$M
<b>Cash flows from investing activities</b>		
Cash provided from		
Receipts from investments	0.0	0.3
<b>Cash applied to –</b>		
Acquisition of investments	(1.0)	(0.0)
Purchase of property, plant and equipment	(0.1)	(0.1)
Purchase of intangible assets	(0.2)	(0.2)
<b>Net cash flow from investing activities</b>	<b>(1.1)</b>	<b>0.0</b>
<b>Net cash flow from financing activities</b>	<b>0.0</b>	<b>0.0</b>
<b>Net increase/(decrease) in cash held and cash equivalents</b>	<b>(2.3)</b>	<b>0.2</b>
<b>Plus opening cash and cash equivalents at the beginning of the year</b>	<b>4.9</b>	<b>2.6</b>
<b>Closing cash and cash equivalents at the end of the year</b>	<b>2.6</b>	<b>2.8</b>

## Reconciliation of Net Cash Flows from Operating Activities to Total Comprehensive Revenue and Expense

For the year ending 30 June 2019

	2017/18 Estimated Position 30 June 2018	2018/19 Forecast Position 30 June 2019
	\$M	\$M
Total comprehensive revenue and expense	(0.2)	(0.0)
Add / (Less) non-cash expenditure / (income)		
Depreciation	0.1	0.1
Amortisation	0.1	0.1
<b>Total non-cash items</b>	<b>0.2</b>	<b>0.2</b>
Add / (Less) non-cash expenditure / (income)		
(Increase) / decrease in accounts receivable/prepayments	0.0	(0.0)
Increase / (decrease) in accounts payable and funding liabilities	(1.2)	(0.0)
<b>Net movements in working capital items</b>	<b>(1.0)</b>	<b>0.2</b>
<b>Net cash flows from operating activities</b>	<b>(1.2)</b>	<b>0.2</b>

# 7

## Tauāki ā-Kaupapahere Kaute Statement of Accounting Policies For the year ending 30 June 2019

### Reporting Entity

Te Māngai Pāho is a Crown Entity as defined by the Crown Entities Act 2004 and is domiciled and operates in New Zealand. The relevant legislation governing Te Māngai Pāho's operations includes the Broadcasting Act 1989, the Crown Entities Act 2004 and Te Ture mō Te Reo Māori 2016. Te Māngai Pāho's ultimate parent is the New Zealand Crown.

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 and other activities to promote the Māori language and culture.

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 (PBE) for financial reporting purposes and does not operate to make a financial return.

### Basis Of Preparation

The financial statements have been prepared on a going concern basis and the accounting policies have been applied consistently throughout the period.

### Statement of compliance

The financial statements have been prepared in accordance with the requirements of the Crown Entities Act 2004 which includes the requirement to comply with generally accepted accounting practice in New Zealand (NZ GAAP).

The financial statements have been prepared in accordance with Tier 1 PBE accounting standards and comply with PBE standards.

### Presentation currency and rounding

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest million dollars (\$m).

## SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### Revenue

The specific accounting policies for significant revenue items are explained below:

#### Revenue from the Crown

Te Māngai Pāho is primarily funded from the Crown and this funding is restricted in its use for the purpose of Te Māngai Pāho meeting the objectives specified in its founding legislation and the scope of the relevant Crown appropriations.

Te Māngai Pāho considers there are no conditions attached to the funding and it is recognised as revenue at the point of entitlement.

The fair value of revenue from the Crown has been determined to be equivalent to the amounts due in the funding arrangements.

## Interest revenue

Interest revenue is recognised using the effective interest method.

## Treatment of the Allocation of Funds

The allocation of funds to broadcasting projects is recognised as expenditure in the financial year the allocation is made provided that, prior to the end of the financial year, the project has received Board approval and the funding applicant has received notice of approval in writing. Expenditure therefore includes funds allocated but not paid out at the year end. The funds not paid out are recorded as funding liabilities in the statement of financial liability. This liability is reduced as the applicant is paid according to the drawdown schedule specified in the production contract.

Once payments have been made according to the drawdown schedule there is no obligation to return any funding unless the total amount of the final payment is not required on completion of the project.

## Operating leases

An operating lease is a lease that does not transfer substantially all the risks and rewards incidental to ownership of an asset to the lessee.

Lease payments under Te Māngai Pāho's operating lease for its premises are recognised as an expense on a straight-line basis over the lease term.

## Cash and cash equivalents

Cash and cash equivalents includes cash on hand, deposits held at call with banks and other short-term highly liquid investments with original maturities of three months or less.

## Receivables

Short-term receivables are recorded at their face value, less any provision for impairment.

A receivable is considered impaired when there is evidence that Te Māngai Pāho will not be able to collect all amounts due. The amount of the impairment is the difference between the carrying amount of the receivable and the present value of the amounts expected to be collected.

## Investments

### Bank term deposits

Investments in bank term deposits are initially measured at the amount invested.

After initial recognition, investments in bank deposits are measured at amortised cost using the effective interest method, less any provision for impairment.

## Property, plant and equipment

Property, plant and equipment consists of five asset classes. These are office equipment, furniture and fittings, computer equipment, leasehold improvements and motor vehicles. All these asset classes are measured at cost less accumulated depreciation and impairment losses.

### Additions

The cost of an item of property, plant and equipment is recognised as an asset 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.

In most instances an item of property, plant and equipment is initially recognised at its cost. Where an asset is acquired through a non-exchange transaction it is recognised at its fair value as at the date of acquisition.

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 costs of day to day servicing of property, plant and equipment are expensed in the surplus or deficit as they are incurred.

### 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 reported net in the surplus or deficit.

### Depreciation

Depreciation is provided on a straight-line basis on all property, plant and equipment, at rates that will write off the cost of the assets to their estimated residual values over their useful lives. The useful lives and associated depreciation rates of major classes of property, plant and equipment have been estimated as follows:

Office Equipment	5 years	20%
Furniture & Fittings	9 to 10 years	11%
Computer Equipment	3 years	33%
Leasehold Improvements	4 to 6 years	17-25%
Motor Vehicle	5 years	20%

Leasehold improvements are depreciated over the unexpired period of the lease, or the estimated remaining useful lives of the improvements, whichever is the shorter.

## Impairment of property, plant and equipment

Property, plant and equipment and intangible assets held at cost 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 carrying amount of the asset exceeds its recoverable amount. The recoverable service amount is the higher of an asset's fair value, less costs to sell, and value in use.

Value in use is the present value of an asset's remaining service potential. It is determined using an approach based on depreciated replacement cost.

If an asset's carrying amount exceeds its recoverable amount the asset is regarded as impaired and the carrying amount is written down to the recoverable amount. The total impairment loss is recognised in the surplus or deficit.

The reversal of an impairment loss is recognised in the surplus or deficit.

## Critical accounting estimates and assumptions

The useful lives and residual values of property, plant and equipment are reviewed at each balance date. In doing this, a number of factors are considered, including the physical condition of the asset, the 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 changes to past assumptions concerning useful lives and residual values.

## Intangible assets

### Software acquisition and development

Acquired computer software licences are capitalised on the basis of the costs incurred to acquire and bring to use the specific software.

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

Staff training costs are recognised as an expense when incurred.

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

Costs associated with development and maintenance of Te Māngai Pāho's website 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 financial year is recognised in the surplus or deficit.

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%

### Impairment of Intangible assets

Refer to the policy for impairment of property, plant and equipment. The same approach applies to the impairment of intangible assets.

## Critical accounting estimates and assumptions

The useful lives of the software are considered reasonable based on the current performance and use of the software and there are currently no indicators that the period of use of the software will be materially different.

## Payables

Short term payables are recorded at the amount payable.

## Employee entitlements

### Short-term employee entitlements

Employee benefits that are due to be settled within twelve months after the end of the period in which the employee provides the related service are measured based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date, annual leave earned but not yet taken at balance date, and sick leave.

A liability and an expense are recognised for bonuses where there is a contractual obligation, or where there is a past practice that has created a constructive obligation, and a reliable estimate of the obligation can be made.

## Provisions

A provision is recognised for future expenditure of an 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 expenditure will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

### 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 530 of the Broadcasting Act 1989.

### Goods and Services Tax

The financial statements have been prepared on a GST exclusive basis, except for receivables and payables, which are recorded on a GST inclusive basis. Where GST is not recoverable as input tax, it is recognised as part of the related asset or expense.

The net amount of GST recoverable from or payable to Inland Revenue is included as part of receivables or payables in the statement of financial position.

The net GST received from or paid to Inland Revenue, 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.

### Budget Figures

The budget figures are derived from the statement of performance expectations as approved by the Board at the beginning of the financial year. The budget figures have been prepared in accordance with NZ GAAP, using accounting policies that are consistent with those adopted by the Board in preparing these financial statements.

### 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.

### Output Cost Statements

The Output Cost Statements, as reported in the Statement of Performance, report the total funding allocations made for the radio and television outputs for the year ending 30 June 2017. They also report the costs of administrative activities undertaken by Te Māngai Pāho.

There have been no changes to the cost allocation methodology since the date of the last audited financial statements.

### Critical accounting estimates and assumptions

In preparing these financial statements, Te Māngai Pāho has made estimates and assumptions concerning the future. Subsequent actual results may differ from these estimates and assumptions. The estimates and assumptions are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The estimates and 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 estimates and assumptions are:

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.

### Critical judgements in applying accounting policies

Management has exercised no critical judgements in applying the accounting policies for the year ending 30 June 2019.



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