New Zealand FILM COMMISSION
Te Tumu Whakaata Taonga

Te Tumu Whakaata Taonga | The New Zealand Film Commission

Statement of Performance Expectations 2026–27

Statement of Responsibility
He kōrero haepapa

This Statement of Performance Expectations reflects our proposed performance targets and forecast financial information for the year ahead. It is produced in accordance with s149E of the Crown Entities Act 2004. The forecast financial statements and underlying assumptions in this document have been authorised as appropriate for issue by the Board of the New Zealand Film Commission in accordance with its role under the Crown Entities Act 2004. It is not intended to update the forecast financial statements subsequent to presentation.

Graeme Mason	Sharon Menzies
Chair	*Chair, Finance, Audit & Risk Committee*

30 June 2026

New Zealand
FILM COMMISSION

Te Tumu Whakaata Taonga

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Funded by the New Zealand Government through the Ministry for Culture and Heritage, Ministry of Business, Innovation and Employment and by the New Zealand Lottery Grants Board.

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Overview
Tirohanga Whānui

Te Tumu Whakaata Taonga The New Zealand Film Commission (NZFC) is an Autonomous Crown Entity operating under the New Zealand Film Commission Act 1978. We are driven by a passion to represent Aotearoa on screen, support creative excellence in filmmaking and ensure collaboration with strategic partners locally and globally to promote employment and productivity in the New Zealand film industry. Investing strategically in talent to foster a diverse and inclusive film industry, the NZFC advocates for appropriate resourcing in order to lead the film sector into a sustainable future.

We:

- **Fund** the development and production of New Zealand films.
- **Attract** international screen production to New Zealand to be serviced by NZ film workforce and companies including the weightless digital exports of VFX, animation and sound/music post-production.
- **Support** talent development, industry support, and business development in the New Zealand screen industry.
- **Administer** the New Zealand Screen Production Rebate (NZSPR) and certify official co-productions made pursuant to one or more of New Zealand's 18 co-production arrangements.

We are funded by Manatū Taonga Ministry for Culture and Heritage, the Ministry for Business, Innovation and Employment (MBIE) and the New Zealand Lotteries Grants Board (NZLGB).

This Statement of Performance Expectations outlines the performance targets for the year ending 30 June 2027 and describes how the year ahead will contribute to:

- The functions set out in the New Zealand Film Commission Act 1978
- The strategic direction set out in the NZFC Statement of Intent 2024-2028 (SOI)
- New Zealand Government priorities and the Minister's Letter of Expectations

The 2026/27 Statement of Performance Expectations reflects a deliberate shift in how the NZFC is directing effort and assessing performance.

Over the coming period, NZFC is prioritising fewer, higher impact investments; deeper capability development across producers, writers and directors; and a more portfolio-based approach to funding and talent progression. This direction responds to a highly constrained and volatile domestic and international screen environment, and to evidence that long-term sustainability and audience reach are better achieved through quality, durability and pathway development rather than volume alone.

As a result of this strategic reset, some activity-based or throughput focused measures may not be met in the short term. This is expected and intentional. Performance should be interpreted in the context of building stronger creative pipelines, more resilient businesses, and films with greater cultural and commercial life over time. NZFC will continue to report transparently against all measures while actively managing the transition toward a more sustainable, impact-led operating model.

All information in this document is provided in accordance with the Crown Entities Act 2004. Results of performance will be presented in the 2026/27 Annual Report.

Te Rautaki Māori Strategy

The fundamental role of Te Rautaki Māori is to elevate indigenous Māori identity and cultural taonga for responsible storytelling in Aotearoa. It recognises that Māori language and culture is a taonga to be nurtured and celebrated. The core objectives of Te Rautaki are:

- **Representation: Promote authentic, grounded representation of Māori cultural content and stories of high-quality films led by Māori creatives.**
  Whakakanohitanga: whakatairangatia ake ngā āhuatanga tūturu, ngākau pono o te ahurea Māori, kia ruku ki tōna whānuitanga, ki ōna pakiwaitara anō hoki, kia tino kounga ai ngā kiriata e kōkiritia ana e te hunga auaha Māori.

- **Protocols: Facilitate industry discussion and collective co-operation on key protocols or guidelines for culturally responsible storytelling, culturally safe practices, and generating improved opportunities for Māori creatives.**
  Tikanga: whakahaerehia he wānanga ahumahi, he aronga mahi ngātahi anō hoki e pā ana ki ngā tikanga, ngā aratohu rānei, e Māori ai te kawe i ngā pakiwaitara, i ngā tikanga, me te whakawhānui i ngā ara e whai wāhi mai ai te hunga auaha Māori.

- **Capacity and Capability: Support capacity development through initiatives that increase progression and collaboration for Māori to successfully bring their films to fruition.**
  Raukaha me te A- heinga: Tautokona te whanaketanga o te raukaha mā roto mai i ngā kaupapa whakapakari me te mahi ngātahi, e angitu ai tā te Māori whakaputa i āna kiriata.

- **Leadership: Facilitate recognition and opportunities that grows the calibre of craft for Māori creatives, provide guidance and support that influences stories of Aotearoa, demonstrate leadership of NZFC in growing our own capability and cultural competency as an organisation.**
  Rangatiratanga: whakatairangahia ngā ara whakatipu i te kounga o ngā mahi mā ngā Māori auaha. Ārahina, tautokona te whakaaweawetia o ngā pakiwaitara o Aotearoa, whakatinanahia te rangatiratanga, kia whakatupua ō mātou ake nā āheitanga, tikanga whakahaere anō hoki.

Purpose | Aronga

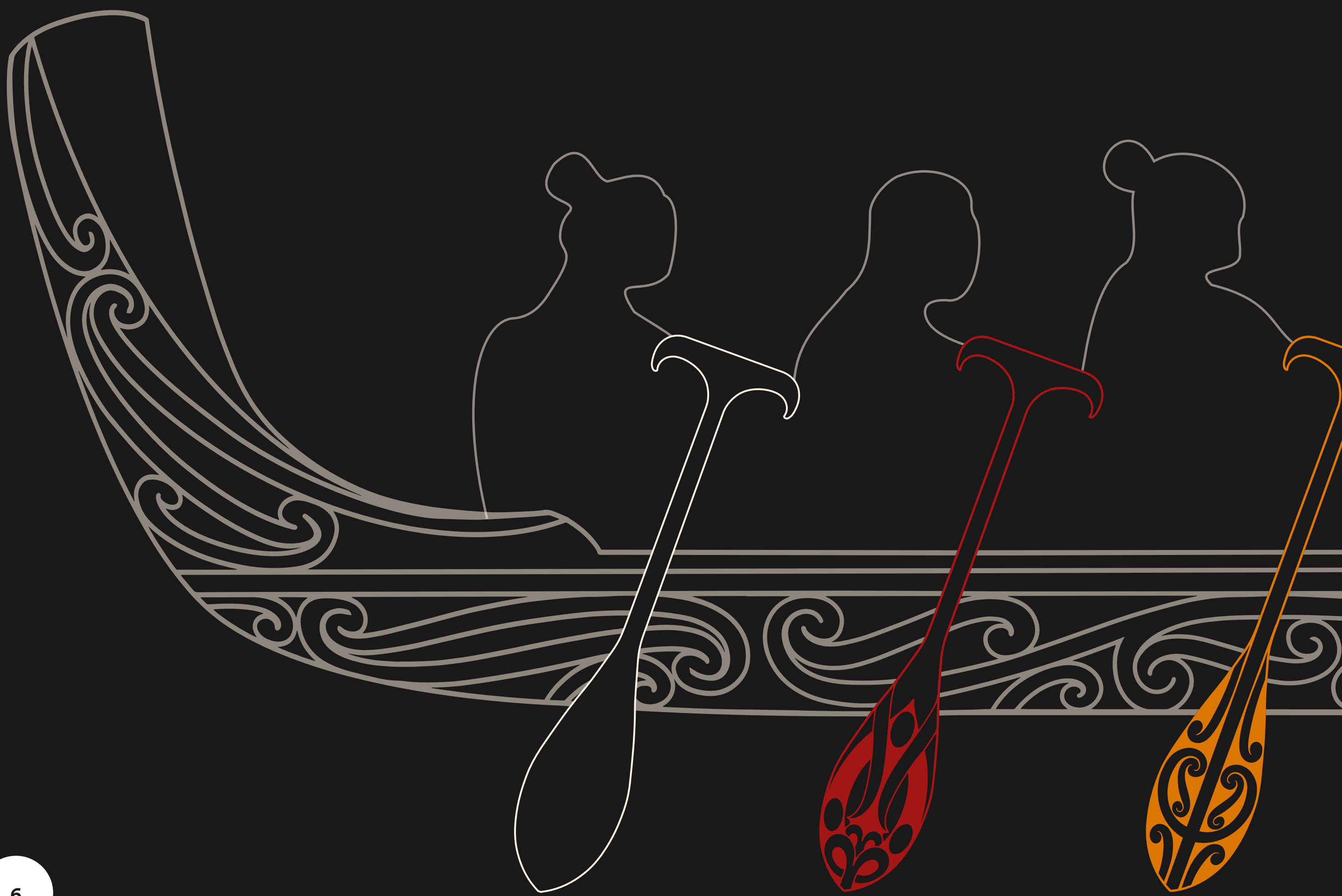
To build on New Zealand's legacy of excellence in filmmaking and unleash exceptional creativity.
He hāpai ake i te tuku ihotanga o te kounga i te ao waihanga kiriata i Aotearoa nei, e eke ai te auahatanga ki ōna taumata.

Way | Te ara

By investing in creativity and consistently delivering quality that lasts generations.
Mā te tautoko i te taha auaha, kia rite tonu te whakaputa i te kounga ka mau tonu ki roto ki ngā whakatipuranga.

Impact | Putanga

New Zealand films will capture the imaginations of audiences in Aotearoa and around the world.
Ko ngā kiriata o Aotearoa ka whakahihiri ake i te pohewatanga o ngā kaimātakitaki puta noa i te ao.



Build consistent creative and commercial excellence in filmmaking.

Hāpai ake i te rerenga tonutanga o te auaha me te kounga o te taha arumoni i te ao waihanga kiriata.

Empower and champion authentic and diverse films that are uniquely of Aotearoa and maximise audiences for New Zealand films.

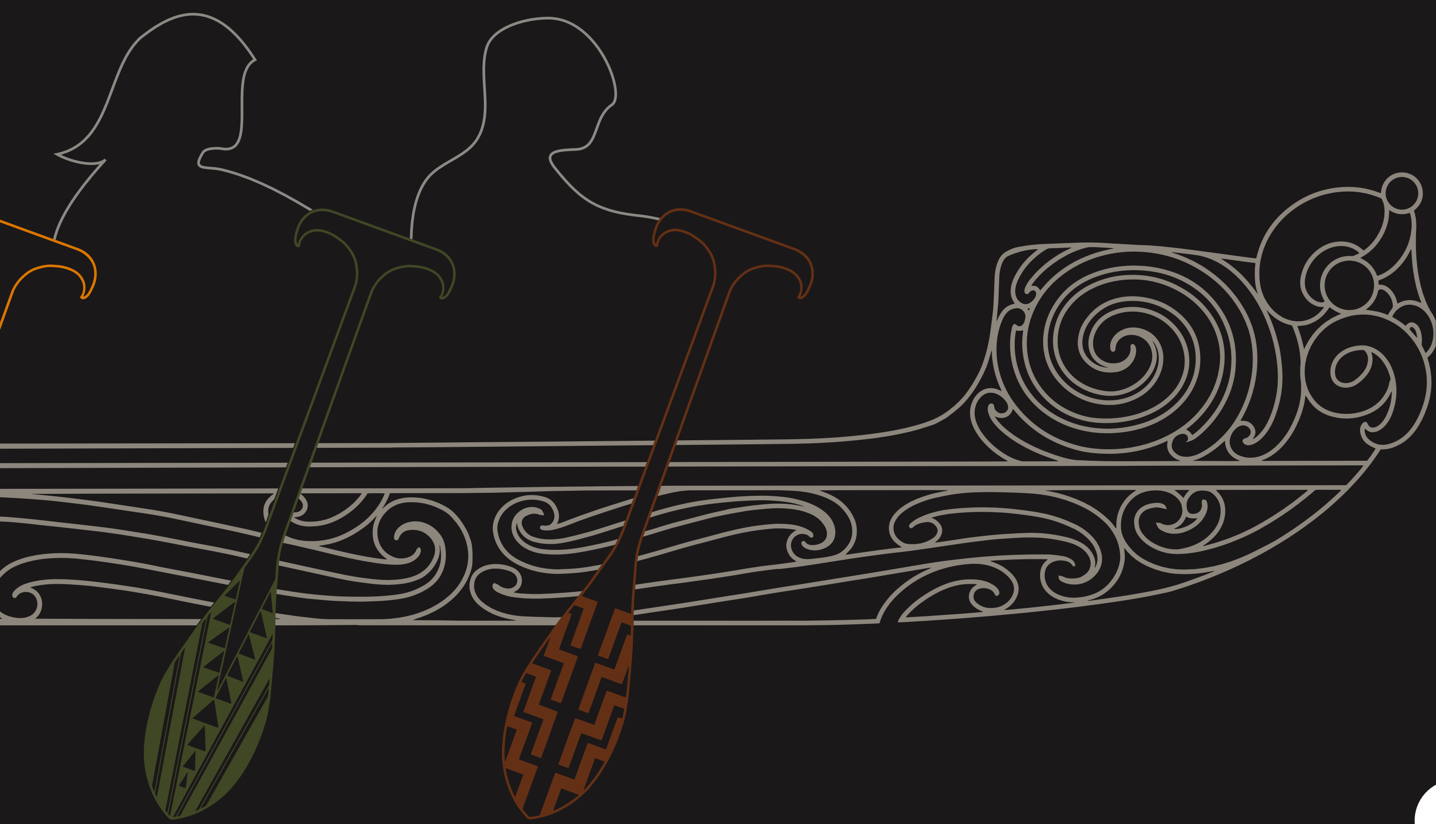
Kia whakamanā, kia kōkiritia rā ngā kiriata kanorau e ngākau pono ana, e mau ana hoki ki te rongomaiwhiti o Aotearoa, me te whakawhānui ake i te hunga mātakitaki i ngā kiriata o Aotearoa.

Collaborate strategically to promote employment and productivity in the New Zealand film industry.

Kia whai rautaki mahi tahi e whakatairangatia ai te taha whiwhi mahi me te tōnuitanga o ngā mahi i te ao hanga kiriata i Aotearoa.

Invest in talent by supporting capability development with diversity, equity and inclusion at its core.

Kia āki i ngā kaiwhakaari mā te tautoko i te whanaketanga o ō rātou āheinga, ā, mātāmua mai ko te kanorautanga, ko te mana ōritetanga me te noho ngākau tapatahi.



Contribution to Government Priorities Tāpaetanga Whakaarotau a te Kāwanatanga

New Zealand's screen sector is a strategically important contributor to both the economy and the nation's cultural identity. In the year ended March 2025, screen production:

- contributed approximately $1.1 billion to GDP
- generated $3.0 billion in economic output
- supported a workforce of around 27,000 people across employees and contractors, underpinning high-value, skills-intensive jobs throughout the country[1]

Screen content also delivers substantial downstream value, with an estimated $2.7 billion in international tourism expenditure linked to screen exposure and 15.9% of international visitors citing screen content as a motivating factor to choose New Zealand, reinforcing New Zealand's international brand and soft power.

Culturally, locally made screen content plays a central role in shaping national identity and social cohesion, with 73% of New Zealanders identifying New Zealand film and television as a key part of how the country sees itself, and up to 87% of international audiences agreeing that Māori-led screen stories position New Zealand as a global leader in Indigenous storytelling.[2]

Cultural and Economic Outcomes:

NZFC supports the aspirations of *Amplify: A Creative and Cultural Strategy* for New Zealand which seeks to maximise the impact of public investment in arts and culture, nurture talent, and remove barriers to sector growth. Our approach ensures that every dollar invested delivers cultural and economic value for Aotearoa, while supporting the development of a sustainable and globally competitive screen sector.

Through targeted investment in the development, production and promotion of high-quality New Zealand films, the NZFC is delivering on *Amplify's* call to "invest for maximum impact". Recent successes such as *Tinā* and *Pike River* exemplify our commitment to culturally significant storytelling with strong audience appeal, both locally and internationally. Our administration of the NZSPR and focus on international co-productions directly support *Amplify's* goals to grow creative exports, attract foreign investment, and create new opportunities for New Zealand talent and businesses.

Nurturing talent remains at the heart of our strategy. We deliver a suite of talent development initiatives, from short film pathways to targeted support for emerging filmmakers, ensuring a robust and diverse pipeline for the future.

NZFC is committed to reducing barriers to growth by ensuring our funding and regulatory processes are efficient, accessible, and fit for purpose. We are adapting to technological change, supporting responsible innovation, and working to ensure that New Zealand content remains discoverable and accessible across platforms. In all these areas, our work programme for 2026/27 gives practical effect to the vision and actions set out in *Amplify*, helping to position New Zealand as a creative powerhouse with global reach.

1 + 2 NZIER and Verian. 2025. Screen Production in New Zealand: Economic and cultural impacts. A report for New Zealand Film Commission, NZ On Air and Te Māngai Pāho.

Building a stronger, more productive economy that lifts income and increases opportunities for New Zealanders remains a core government priority. *Going for Growth* sets out the government's approach to accelerating economic growth and improving living standards through five pillars:

- Developing talent
- Competitive business settings
- Promoting global trade and investment
- Innovation, technology and science
- Infrastructure for growth

The screen sector is a high-value contributor to these objectives.

Attracting international productions and investment

NZFC will continue to actively attract a pipeline of large and medium scale international productions that deliver employment, skill development and spill-over benefits for the economy. This includes prioritising NZFC's expert enquiries service for international clients, proactive outreach to major studios, streamers and decision-makers, and coordinating in-market meetings to support credible prospects move into active projects.

The NZFC will also strengthen decisionmakers' understanding of New Zealand's proposition through in country recces and familiarisation programmes and work closely with regional film offices to encourage productions to extend activity beyond main centres into other cities and regions.

Maintaining a competitive incentives framework

A stable, credible and internationally competitive incentives framework remains central to attracting and securing offshore investment and sustaining a production pipeline. Recent updates to the NZSPR-International settings and criteria signal a commitment to keeping New Zealand competitive as an international production and postproduction destination.

These updates improve accessibility for a broader range of productions (including lower budget and independent projects), strengthen New Zealand's competitiveness for inbound and Post, Digital, Visual Effects work, and help maximise economic benefits through increased production spend, employment and capability development.

The NZFC will continue to work closely with MBIE and Manatū Taonga to ensure its activity maximises economic outcomes for New Zealanders and aligns with the Government's broader growth agenda. Information on the NZSPR, including supported productions and the total value of approved Qualifying New Zealand Production Expenditure, will be reported in the NZFC's 2026/27 Annual Report.

Minister’s Letter of Expectations:

The NZFC gives effect to the Government’s Enduring Letter of Expectations by operating in a financially responsible and transparent manner, focused on achieving clear outcomes and value for money from public investment. We support a culture of integrity, political neutrality, and ‘no surprises’, and continuously seek opportunities to improve efficiency, effectiveness, and service delivery while meeting our statutory objectives and obligations.

The Responsible Minister writes to the NZFC each year outlining the government’s expectations for the forthcoming performance year. In the 2026/27 Letter of Expectations, five specific expectations for the NZFC are noted:

1. **Continue to collaborate with NZ On Air and Te Māngai Pāho to optimise resources, share research and deliver innovative funding and development models that strengthen the sector’s strategic potential**

   NZFC will continue to work collaboratively with NZ On Air and Te Māngai Pāho through Mahi Tahi, shifting from parallel activity to a coordinated, system level approach across the screen sector. This will include joint investment in research and insights, aligned funding and development initiatives, shared approaches to professional development and international engagement, and strengthened governance and oversight to ensure transparency, accountability, and impact while maintaining each agency’s statutory independence.

2. **Have robust decision-making criteria in place upholding political neutrality, ensuring funding decisions are outcomes-focused, aligning decisions with NZFC’s strategic intentions and impacts, and supporting investment in work with a broad appeal to both New Zealand and international audiences**

   NZFC will maintain robust decision-making processes grounded in clear assessment criteria, statutory requirements, and strategic objectives. Funding decisions will continue to prioritise quality and impact over volume, with clearer thresholds at development and production, and a strong focus on audience reach, international potential, and sustainable sector outcomes. Decision making will be supported by conflict of interest management, Public Service Commission political neutrality guidance, and transparent governance processes.

3. **Continue to look for opportunities to support sector skill development, diversification, and innovation to ensure high-quality funded content that engages modern New Zealand and global audiences**

   NZFC will invest in skills, diversification, and innovation to strengthen creative capability, support talent and IP development, and ensure funded films resonate with contemporary New Zealand and global audiences. Alongside sector partners, NZFC will advance work on sector cohesion, workforce pathways, and system leadership to support a more resilient, future focused screen industry.

4. **Support the Ministry to undertake policy work on strategy, legislative and regulatory reform, as required**

   NZFC will support Manatū Taonga by providing practical, evidence-based insights drawn from its operational experience, contributing to policy, legislative, and regulatory work as required, while preserving institutional independence.

5. **Work with funding partners to ensure that there is appropriate acknowledgement of any taxpayers funding contributing to the sector**

   NZFC will ensure this expectation is reflected across communications and partnership settings as part of our broader focus on a compelling public narrative about impact and value.

Strategic and Performance Framework He Anga mō te Rautaki me ngā Whakatutukinga Mahi

Our strategic framework shows what drives NZFC and how we work. We have two reportable classes of outputs:

OUTPUT 1 –
“Promotion and Support of the Arts and Film”

Within Vote Arts, Culture and Heritage, administered by Manatū Taonga.

This appropriation is intended to achieve high quality New Zealand arts and film production for New Zealand and international audiences, the development of New Zealanders in the arts, supporting access and participation by New Zealanders in the arts, encouraging innovation and excellence through the support of new work and presentation of arts and film to New Zealand.

OUTPUT 2 –
“Economic Development: Attracting International Screen Productions”

Within Vote Business, Science and Innovation, administered by MBIE.

This appropriation is intended to achieve the attraction of international screen production projects to locate in New Zealand, administer the NZSPR-International (over 50%), leverage economic benefits for New Zealand, and provide a suite of services to support international clients in order to maintain New Zealand’s reputation as a world-class destination for international production.

Outcomes for NZ	Achieve high quality New Zealand arts and film production for New Zealand and international audiences, the development of New Zealanders in the arts, supporting access and participation by New Zealanders in the arts, encouraging innovation and excellence through the support of new work and presentation of arts and film to New Zealand	Achieve the attraction of international screen production projects to locate in New Zealand, leverage economic benefits for New Zealand, and provide a suite of services to support international clients during their time in New Zealand in order to maintain New Zealand's reputation as a world-class destination for international production

Cultural Capital	Culture is inclusive and reflective, supporting people to connect and engage with each other, their community and society	Māori culture is recognised, valued and embraced by New Zealanders	People can access and are participating in cultural activities and experiences	Cultural Activity is valued, supported and nurtured	The cultural system is resilient and sustainable

NZFC Strategic Objectives	**Build consistent creative and commercial excellence in filmmaking**	**Empower and champion authentic and diverse films that are uniquely of Aotearoa and maximise audiences for New Zealand films**	**Collaborate strategically to promote employment and productivity in the New Zealand film industry**	**Invest in talent by supporting capability development with diversity, equity and inclusion at its core**
Output Class	**Output 1**	**Output 1**	**Output 1 & 2**	**Output 1**
How?	Strategically invest in the development, production and promotion of high quality, engaging films Ensure films are fully developed prior to production and encourage early engagement with market partners Fund films written and crafted by exceptional New Zealand creatives that display bold, distinctive voices	Embed our Rautaki Māori strategy and continue to ring-fence funding for te reo Māori films Fund films that reflect the diversity of experiences and perspectives in Aotearoa Audience preferences – what, where and how they choose to view - are a high priority	Collaboration with other screen agencies, guilds and industry bodies Optimise the international productions choosing New Zealand as a production base Ensure the NZSPR continues to be administered with high levels of expertise and efficiency	Identify and support filmmakers with strong creative ideas in development that have potential to move into production Identify and nurture talented filmmakers from our diverse communities and provide opportunities for equity in their engagement and participation in the film industry Co-invest with key stakeholders to deliver targeted talent development initiatives Elevate indigenous Māori identity and cultural taonga for responsible storytelling in Aotearoa

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NZFC Strategic Objectives	Build consistent creative and commercial excellence in filmmaking	Empower and champion authentic and diverse films that are uniquely of Aotearoa and maximise audiences for New Zealand films	Collaborate strategically to promote employment and productivity in the New Zealand film industry	Invest in talent by supporting capability development with diversity, equity and inclusion at its core
Output Class	**Output 1**	**Output 1**	**Output 1 & 2**	**Output 1**
Desired Result	New Zealand films are highly sought after locally and globally Distribution, exhibition and audience voice are valued considerations at all stages of filmmaking New Zealand films are critically well received and regularly invited to premiere at prestigious film festivals	Māori films are a powerful voice of Aotearoa in the world Films reflect New Zealand's diverse cultures and communities New Zealand and international audiences choose New Zealand films	Greater consistency for production industry and increased sector efficiency, effectiveness and capability A strong pipeline of international production in New Zealand, supporting employment, workforce and skills development, and thriving screen businesses The NZSPR is robust and ensures New Zealand maintains a sufficiently competitive position globally, for both international and domestic production	Films developed with funding from NZFC go on to be made Enable targeted professional talent development opportunities for a diverse range of filmmakers Talent development is closely linked to industry needs and its priorities Māori language and culture is a taonga, to be nurtured and celebrated
What does success look like?	NZFC-funded films are licenced by distributors in Aotearoa and overseas NZFC-funded films have commercial success We see an increase in the percentage of NZFC-funded films selected for premiere film festivals	Films featuring te reo Māori are a critical and commercial success NZFC-funded films reflecting New Zealand identity and culture are selected to screen at New Zealand film festivals New Zealanders are watching NZFC-funded films in cinema and on digital and other platforms	The NZFC delivers projects in collaboration with screen industry partners that support employment in the film industry The percentage of New Zealand cast and crew employed on international productions receiving the NZSPR remains consistent New Zealand is viewed as a world- leading destination for screen production	Writers, producers, and directors funded through NZFC talent development initiatives go on to create feature films An increase in projects funded with key creatives from underrepresented communities More New Zealand filmmakers are globally recognised Authentic representation of Māori cultural content and stories are crafted by Māori creatives and screened for all New Zealanders

Performance Assessment
Aromatawai Whakatutukinga Mahi

Our work in 2026/27 is guided by the four strategic objectives set out in the NZFC 2024-2028 Statement of Intent. We have selected performance measures that align with these objectives to track how we are achieving our outcomes, the performance functions set out in the New Zealand Film Commission Act 1978 and our contribution to the cultural and economic development of Aotearoa.

Where measures relate to volume or timing of activity, year-to-year variability should be read alongside the strategic intent of the portfolio. A reduction or delay in activity does not necessarily indicate under-performance, but may reflect deliberate sequencing, market conditions, or a rebalancing toward fewer, higher-impact investments.

1. BUILD CONSISTENT CREATIVE AND COMMERCIAL EXCELLENCE IN FILMMAKING – Output 1

Measure	Actual 2024/25	Target 2025/26	Target 2026/27
1a. Number of NZFC-funded feature and short films that are selected for premier film festivals [1]	13	10	10
1b. Number of feature film directors who have had more than one NZFC-financed feature film screened at a premier film festival (in the 7-year period ending 30 June 2027)	4	6	6
1c. Number of NZFC-funded feature and short films that are selected in competition at one of the top five premier film festivals or win a 'Best Of' award in one of the other premier festivals [2]	N/A	N/A	Benchmark
1d. Percentage of feature films that receive NZFC production funding over a three-year period (ending 30 June 2027) with a writer or director attached who have previously made an NZFC feature film	N/A	Benchmark	30%

2. EMPOWER AND CHAMPION AUTHENTIC AND DIVERSE FILMS THAT ARE UNIQUELY OF AOTEAROA AND MAXIMISE AUDIENCES FOR NEW ZEALAND FILMS– Output 1

Measure	Actual 2024/25	Target 2025/26	Target 2026/27
2a. Number of NZFC-funded films that secured more than 50,000 admissions at the New Zealand box office (Admissions during 1 July – 30 June financial year)	2	2	2
2b. Total annual admissions at the New Zealand box office for all NZFC-funded feature films (Admissions during 1 July – 30 June financial year) [3]	668,160	200,000	200,000
2c. Number of short films and feature films in te reo Māori receiving NZFC development or production funding [4]	2	2	2

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1 Premier film festivals are Cannes, Berlin, Toronto, Sundance, Venice, Melbourne, Rotterdam, SXSW, Tribeca, IDFA, Clermont Ferrand, Busan, Sydney and Hot Docs.

2 The top five festivals are Venice, Cannes, Berlin, Sundance, Toronto International Film Festival. Others are Melbourne, Rotterdam, SXSW, Tribeca, IDFA, Clermont Ferrand, Busan, Sydney and Hot Docs.

3 This measure has fluctuated over the past four years due to COVID-19, its impact on cinemas, and conversely the success of Tinā. Due to changing cinema habits, we are returning to our pre-COVID target of 200,000.

4 The majority of dialogue must be in te reo Māori.

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2. EMPOWER AND CHAMPION AUTHENTIC AND DIVERSE FILMS THAT ARE UNIQUELY OF AOTEAROA AND MAXIMISE AUDIENCES FOR NEW ZEALAND FILMS– Output 1			
Measure	**Actual 2024/25**	**Target 2025/26**	**Target 2026/27**
2d. Percentage of NZFC-financed feature films that are culturally significant (over a three-year time frame) [5]	86%	80%	80%
2e. Number of NZFC-funded feature films to screen in the New Zealand International Film Festival or Doc Edge Film Festival	12	10	10
2f. Percentage of New Zealanders who agree that New Zealand screen stories are important[6]	92%	90%	90%
2g. Percentage of New Zealanders who have seen a New Zealand film in the last 12 months[7]	40%	55%	50%

3. COLLABORATE STRATEGICALLY TO PROMOTE EMPLOYMENT AND PRODUCTIVITY IN THE NEW ZEALAND FILM INDUSTRY – Output 1 & 2			
Measure	**Actual 2024/25**	**Target 2025/26**	**Target 2026/27**
3a. Percentage of New Zealand cast employed on international productions receiving the NZSPR[8]	42%	60%	65%
3b. Percentage of New Zealand crew employed on international productions receiving the NZSPR[9]	80%	90%	85%
3c. Number of enquiries for prospective productions serviced within the financial year[10]	56	44	44
3d. Number of co-production focused engagements with foreign and New Zealand screen industry professionals[11]	N/A	Benchmark	100
3e. Number of international productions starting principal photography within the financial year	14	8	8
3f. Number of international productions submitting new registrations for the NZSPR-International[12]	20	18	20
3g. Number of New Zealand productions supported by the NZSPR – New Zealand	N/A	17	30

5 Culturally Significant films and screen stories are those that New Zealand audiences will recognise as reflecting New Zealand identity and culture. Minority co-productions set in another country are unlikely to meet this criteria.

6 Based on responses to a survey of 1000 randomly selected New Zealanders asking “Do you believe New Zealand screen stories are important?”

7 Based on responses to a survey of 1000 randomly selected New Zealanders asking “Have you seen a New Zealand film in the last 12 months?” The target has been lowered in response to recent data showing reduced performance against this measure. To address this, NZFC is strengthening end-to-end support for films by expanding marketing and audience capability from development through to post-release, including increased audience insights, data, and resourcing.

8 The target for this measure reflects workforce patterns on international productions and is guided by 5% Uplift thresholds, hence the change in target from the previous year.

9 The target for this measure reflects workforce patterns on international productions and is guided by 5% Uplift thresholds, hence the change in target from the previous year.

10 This includes both new and existing prospects. A “new” prospect is a new enquiry related to an actual production, one which we assess to have meaningful potential to be made in New Zealand at some point in time. An “existing” prospect is an enquiry first received during a previous period, and continuing to engage. This measure is specifically in relation to the MBIE appropriation of $1.274M.

11 The definition of ‘focused engagement’ includes in-person and virtual meetings that promote and discuss co-productions. Screen industry professionals include competent authorities and sister screen agencies.

12 This measure is specifically in relation to the MBIE appropriation of $1.274M. This measure includes both live action and Post, Digital, and Visual Effects (PDV).

4. INVEST IN TALENT BY SUPPORTING CAPABILITY DEVELOPMENT WITH DIVERSITY, EQUITY AND INCLUSION AT ITS CORE– Output 1			
Measure	**Actual 2024/25**	**Target 2025/26**	**Target 2026/27**
4a. Percentage of feature films produced with NZFC development support (direct or devolved)[13]	85%	75%	75%
4b. Percentage of short films and feature films that receive NZFC production funding with a woman or gender-diverse director attached[14]	47%	50%	50%
4c. Percentage of short films and feature films that receive NZFC development and/or production funding with Māori practitioners in at least two key creative roles[15]	28%	25%	25%
4d. Percentage of practitioners who identify as Māori, supported through contestable talent development initiatives delivered or funded by the NZFC[16]	N/A	25%	25%
4e. Number of key creatives who have an NZFC-funded feature film in development or production in the current financial year and have been supported through contestable talent development initiatives delivered or funded by the NZFC in the last five years[17]	N/A	N/A	Benchmark

ORGANISATIONAL HEALTH & CAPABILITY			
Measure	**Actual 2024/25**	**Target 2025/26**	**Target 2026/27**
Annual Staff engagement survey – performance index[18]	79%	68%	68%
All staff are offered learning in te reo Māori and/or tikanga Māori	Achieve	Achieve	Achieve
NZFC staff agree that people from all backgrounds and cultures feel included, welcomed and valued in the organisation[19]	82%	90%	80%

13 Definition of "feature film produced": First day of principal photography falls within the period of the financial year. Includes films receiving NZFC production financing and/or the NZSPR-NZ. Development support includes funding through schemes such as Seed, Early Development, Advanced Development, He Ara, Boost or Whakawhanake Kiriata: Māori Development Funds.

14 This includes Feature Film Production Investment, Feature Film Finishing Grant and Post-Production Grant.

15 Key creatives are defined as writer, director, producer.

16 This includes Industry Led Development Funding, Seed Funding, Aho Shorts, Industry Development Fund.

17 Key creatives include writers, directors and producers. To better reflect NZFC talent and industry development programmes, this measure has been changed from initiatives delivered in the last two years to five years.

18 Calculated through the annual staff engagement survey.

19 Calculated from an annual survey conducted with staff. The target has been reduced to better reflect performance trends, with data over the past five years consistently ranging between 75–85%.

Output 1: Vote Arts, Culture and Heritage

	SPE Budget FY26/27 $	SPE Budget FY25/26 $	Forecast FY25/26 $	Actual FY24/25 $
A. Revenue				
Crown Revenue - MCH	5,096	5,196	5,196	4,992
Lotteries Grant Board	22,875	22,875	24,423	25,970
Other revenue	1,605	2,200	2,031	3,520
Total Revenue	**29,576**	**30,271**	**31,650**	**34,482**
B. Output Expenses				
Funding - Productions	17,222	23,182	23,459	16,654
Funding - People, Guilds & Industry	4,720	5,185	6,145	4,150
Film promotion and marketing support	2,585	3,057	3,784	2,229
Co-Production (International relations)	110	110	56	1
New Zealand Screen Production Rebate - Domestic	446	310	259	286
Total funding commitments	**25,083**	**31,844**	**33,703**	**23,320**
Corporate	3,116	3,116	2,616	2,526
Personnel	5,007	5,007	4,981	4,246
Total Output Expenses	**33,206**	**39,967**	**41,300**	**30,092**

Output 2: Vote Business, Science and Innovation

	Draft SPE Budget FY26/27 $	SPE Budget FY25/26 $	Forecast FY25/26 $	Actual FY24/25 $
New Zealand Screen Production Rebate - International				
A. Revenue				
Crown Revenue - MBIE	1,274	1,300	1,300	1,300
Total Revenue	**1,274**	**1,300**	**1,300**	**1,300**
B. Output Expenses				
International screen business attraction	570	571	571	439
Screen incentive scheme administration	144	120	120	182
Total funding commitments	**714**	**691**	**691**	**621**
Corporate	222	219	270	273
Personnel	708	725	725	764
Total Output Expenses	**1,644**	**1,635**	**1,686**	**1,658**

Prospective Financial Statements
Pūrongo Pūtea E Tū Mai Nei

The prospective financial statements provide all appropriate financial information and explanations needed to fairly reflect the prospective financial operations and financial position of the NZFC for the year ending 30 June 2027 in accordance with section 149G of the Crown Entities Act 2004.

In addition to our core business to encourage, participate and assist in the making, promotion and exhibition of films, the NZFC acts as the Government's agent for administering and promoting the NZSPR. The NZSPR supports economic growth, skilled employment, and global visibility for New Zealand's screen sector, delivering strong value for money through disciplined administration by the NZFC.

The value of the NZSPR administered by NZFC increases its fiscal responsibility and stewardship by an average of $224,680,531 per annum.[1]

The following table illustrates the number of applications and the total value of the NZSPR administered over the past five years.[2]

New Zealand Rebate

FY (at 31 March 2026)	Total Applications (Interim & Final)	Total QNZPE (NZ$)	Total Rebate (NZ$)
2025/26 (YTD)	36	103,927,911	41,562,147
2024/25	41	134,338,279	53,735,314
2023/24	39	195,393,030	78,157,211
2022/23	32	165,133,837	65,427,782
2021/22	25	110,571,469	37,377,301

International Rebate

FY (at 31 March 2026)	Total Applications (Interim & Final)	Total QNZPE (NZ$)	Total Rebate (NZ$)
2025/26 (YTD)	24	1,041,387,559	221,983,342
2024/25	38	647,101,747	127,128,319
2023/24	25	1,330,510,499	268,928,079
2022/23	29	661,204,918	141,375,919
2021/22	9	440,797,334	87,727,240

Average NZSPR administered over five years	224,680,531

1 The average of both international and domestic screen production rebate administered across five years.
2 Noting that the NZSPR figures for the financial year ending 30 June 2026 are presented as at 31 March 2026.

NZFC Funding for Local Film Production in 2026/2027

In the financial year ending 30 June 2027, the NZFC will maintain its commitment to supporting the local film production pipeline by continuing to utilise available reserves in a sustainable manner. This strategic approach aims to reinforce ongoing efforts to strengthen New Zealand's film industry, even in the context of changing financial conditions.

Year-on-Year Funding Variance

The principal variance between the FY25/26 and FY26/Y27 financial years lies in the funding allocated for film production. The amount available for investment is projected to decrease from $23.182 million in FY25/26 to $17.22 million in FY26/27. This reduction is primarily due to holding a lower-level sum of reserves in FY26/27. The NZFC will continue to administer the NZSPR at application volumes comparable to, or possibly exceeding, previous years, while also maintaining ongoing efforts to attract inbound productions.

Implications for the Film Sector

The decreased investment in local film production reflects the NZFC's careful stewardship of its reserves. Despite this decline, the NZFC remains focused on sustaining the development and growth of New Zealand's film production capabilities through strategic use of its financial resources and supporting producers to secure non-government sources of funding for films.

Prospective Statement of Financial Performance

	SPE Budget FY26/27 $	SPE Budget FY25/26 $	Forecast FY25/26 $	Actual FY24/25 $
Revenue				
Crown Revenue - MCH	5,096	5,196	5,196	4,992
Crown Revenue - MBIE	1,274	1,300	1,300	1,300
Lottery Grants Board	22,875	22,875	24,423	25,970
Film Income and sales commission	500	890	863	1,629
Interest received and other income	1,105	1,310	1,168	1,891
Total Revenue	**30,850**	**31,571**	**32,950**	**35,782**
Expenditure				
Funding - Productions	17,222	23,182	23,459	16,654
Funding - People, Guilds & Industry	4,720	5,185	6,145	4,150
Film promotion and marketing support	2,585	3,057	3,784	2,229
Co-Production (International relations)	110	110	56	1
New Zealand Screen Production Rebate	2,090	1,945	1,945	1,944
Corporate	3,116	3,116	2,616	2,526
Personnel	5,007	5,007	4,981	4,246
Total Expenditure	**34,850**	**41,602**	**42,986**	**31,750**
Net Surplus/(Deficit)	**(4,000)**	**(10,031)**	**(10,036)**	**4,032**

Prospective Statement of Financial Position

	SPE Budget FY26/27 $	SPE Budget FY25/26 $	Forecast FY25/26 $	Actual FY24/25 $
Equity				
Equity at 1 July	14,125	23,240	24,161	20,129
Accumulated comprehensive revenue/ (expenses)	(4,000)	(10,031)	(10,036)	4,032
Total Equity	**10,125**	**13,209**	**14,124**	**24,161**
Represented by:				
Current Assets				
Cash and cash equivalents	3,109	3,162	3,573	4,199
Investments	14,500	21,800	23,500	28,000
Trade and other receivables	1,300	4,200	4,060	7,548
Prepayments	120	-	130	120
Total Current Assets	**19,029**	**29,162**	**31,263**	**39,867**
Non-Current Assets				
Property, plant & equipment	700	420	730	419
Intangible assets	530	601	601	274
Total Non-Current Assets	**1,230**	**1,021**	**1,331**	**693**
Total Assets	**20,259**	**30,183**	**32,594**	**40,561**
Less Liabilities:				
Current Liabilities				
Trade and other payables	1,200	3,000	2,970	3,353
Employee entitlements	200	200	200	333
Film income account	150	851	800	298
Project commitments	8,584	12,923	14,500	12,415
Total Current Liabilities	**10,134**	**16,974**	**18,470**	**16,400**
Total Liabilities	**10,134**	**16,974**	**18,470**	**16,400**
Net Assets	**10,125**	**13,209**	**14,124**	**24,161**

Prospective Statement of Cash Flows

	SPE Budget FY26/27 $	SPE Budget FY25/26 $	Forecast FY25/26 $	Actual FY24/25 $
Cash Flows from Operating Activities				
Receipts from the Crown & other income	30,586	29,371	35,488	30,299
Interest received	1,100	1,310	1,168	2,168
Payments for production funding, marketing, industry	(38,962)	(36,739)	(41,582)	(34,172)
support, to suppliers and employees	0			
Goods and services tax (net)	(78)	-	(200)	55
Net Cash from Operating Activities	**(7,354)**	**(6,058)**	**(5,126)**	**(1,649)**
Cash Flows from Investing Activities				
Sale of investments	39,000	40,000	45,611	62,363
Purchase of investments	(32,000)	(34,000)	(40,711)	(59,154)
Sale of property, plant & equipment				1
Purchase of property, plant & equipment	(110)	(770)	(200)	(110)
Purchase of intangible assets		-	(200)	(268)
Net Cash from Investing Activities	**6,890**	**5,230**	**4,500**	**2,832**
Net increase / (decrease) in cash at bank	(464)	(828)	(626)	1,183
Cash and cash equivalents at the start of the year	3,574	3,990	4,199	3,016
Cash and cash equivalents at year end	**3,109**	**3,162**	**3,573**	**4,199**

Notes to Prospective Statements of Account

FINANCIAL PLANNING ASSUMPTIONS

In the prospective financial statements for the year ending 30 June 2027, we have considered that:

- Our core business to encourage and participate and assist in the making, promotion and exhibition of films will remain unchanged.

Changes between years represent:

- The expiration of time-bound funding and reduced film income.
- Reduced interest earnings due to less cash held as commitments are settled.
- Carried forward commitments from conditional grants not recognised in prior years for productions and or development funding, being recognised in this fiscal year, as conditions are met.

The year ending 30 June 2027 will result in a deficit position of $4.0 million drawn from a small remaining surplus from prior years.

REPORTING ENTITY

Pursuant to the New Zealand Film Commission Act 1978, the NZFC was established on 13 November 1978 as a Crown Entity in terms of the Crown Entities Act 2004. NZFC's ultimate parent is the New Zealand Crown.

These are the NZFC's financial statements. They are prepared subject to the New Zealand Film Commission Act 1978 and the Crown Entities Act 2004.

The primary objective of the NZFC is to encourage, participate and assist in the making, promotion and exhibition of films. It has been established exclusively for charitable purposes in New Zealand. Accordingly, the NZFC has designated itself as a public benefit entity (PBE) for financial reporting purposes.

BASIS OF PREPARATION

Statement of compliance

The prospective financial statements of the NZFC have been prepared in accordance with the:

- requirements of the Crown Entities Act 2004, which includes the requirement to comply with New Zealand generally accepted accounting practice (NZ GAAP);
- tier 1 PBE accounting standards.

These financial statements comply with PBE accounting standards.

These prospective financial statements have been prepared on a going concern basis, and the accounting policies have been applied consistently throughout the year.

Functional and presentation currency

The financial statements are presented in New Zealand dollars, and all values are rounded to the nearest dollar.

Foreign currency transactions are translated into NZ$ (the functional currency) using the exchange rates prevailing at the date of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions are recognised in the surplus or deficit.

SIGNIFICANT ACCOUNTING POLICIES

Goods and services tax (GST)

All items in the financial statements are presented exclusive of goods and services tax (GST), except for receivables and payables, which are presented on a GST-inclusive basis. Where GST is not recoverable as an input tax, then it is recognised as part of the related asset or expense.

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 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.

Income tax

The NZFC is exempt from income tax in accordance with Section 29 of the New Zealand Film Commission Act 1978. Accordingly, no provision has been made for income tax.

Cost allocations

The NZFC has determined the cost of outputs using the cost allocation system outlined below.

Direct costs are those costs directly attributed to an output. Indirect costs are those costs that cannot be identified in an economically feasible manner with a specific output.

Direct costs are charged directly to outputs. Indirect costs are charged to outputs based on the proportion of direct costs for each output of total direct costs.

Critical judgements in applying the NZFC's accounting policies and critical accounting estimates and assumptions

In preparing these financial statements, the NZFC has made estimates and assumptions concerning the future. These estimates and assumptions may differ from the subsequent actual results. Estimates and assumptions are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Funding expenditure

The NZFC provides a range of funding programmes. In most instances, the funding is provided as a non-recoupable grant. This includes the funding of feature film script development and related producer devolved development schemes. Such funding is recognised at the time the money is exchanged.

Feature film production

Funding assistance is mostly provided in the form of equity investment. This gives the NZFC an entitlement to share financially alongside other investors if the film is commercially successful.

Such investment funding is disbursed in line with production milestones as a way of managing the cash flow and risk. However, as the production can reasonably expect the full amount of investment to flow to them, the total value of the approved production application (production commitment) is expensed through the statement of comprehensive income and expenditure at the time the approval has been communicated to the applicant.

Funding liabilities

We recognise a liability for funding expenditure when the following conditions have been met:

- The funding has been approved by the relevant NZFC decision-making body;
- The funding recipient has been advised; and
- It is probable (more likely than not) that the funded proposal will be completed.

Film income account

The NZFC acts as a collection agent for the films it invests in. The Film Income Collection Account is the vehicle used to collect funds and distribute funds back to investors. The portion of film revenue belonging to the NZFC is recognised as revenue when either a sales contract is executed or in the case of film royalties, when the royalties have been reported and become receivable.