

Statement of performance expectations

2023 – 2024

New Zealand
FILM COMMISSION



Te Tumu Whakaata Taonga



Statement of Responsibility

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.



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CHAIR



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CHAIR, FINANCE, AUDIT & RISK COMMITTEE

JUNE 2023



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Vision, Values & Goals

Mahia te mahi hei oranga mō te iwi Working in support of the screen industry

MATAKITE

He poipoi i ngā kaitātaki pūrākau kia puta ai he taonga tūturu mō Aotearoa

KAUPAPA

He whakakaha, he tō mai hoki i te huhua o ngā kiriata ahurei mā ngā momo kaimātakitaki katoa

NGĀ WHĀINGA

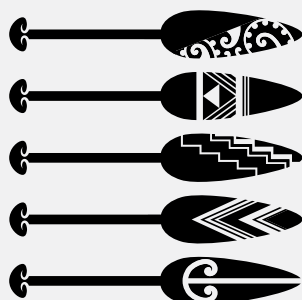
1. He whakaoho i te puāwaitanga o ngā pūrākau kiriata whakangahau i te iwi, pūrākau motuhenga, piripono ki ngā tikanga
2. He whakapūmau, he whakapakari hoki i te whanaketanga o hanga mō tō tātou ahumahi kiriata haumako
3. He whakawātea i ngā ara whakaoho mauri mā te hunga whakamīharo, kaupapa mahi whakamīharo, umanga whakamīharo anō hoki
4. He whakahihiko i te ngākau nui, otirā te tokomaha, o ngā kaimātakitaki ki ngā pūrākau kiriata o Aotearoa, i tēnei motu, i tāwāhi anō hoki
5. He whakapakari i ngā hononga i waenga i te hunga whai pānga katoa kia eke ngā mahi kōtui ki tōna tino hiranga

NGĀ UARA

- Ko te auaha te mea nui mō tātou
- Tukua mā te mahi ngaio me te tika mā te katoa, tātou e ārahi, i te taha mahi, i te taha tūmanako
- Tukua mā te māia tātou e whakahihiri
- Ko te hiranga tā tātou e whai nei
- He whai painga te kanorau mā te katoa
- Ko te ahurea me ngā taonga tuku iho tō tātou pūtaka

NGĀ HOE

1. Pūrākau Motuhenga
2. Whanaketanga o hanga
3. Ara Whakaoho Māuri
4. Whakahihiko ki te Ao
5. Kōtui Hiranga



VISION

Champion exceptional storytellers to create enduring taonga for Aotearoa

MISSION

Empower and attract distinctive and diverse screen productions for all audiences

GOALS

1. Activate high impact, authentic and culturally significant screen stories
2. Sustain and strengthen economic growth for our thriving screen industry
3. Facilitate dynamic pathways for outstanding people, projects and businesses
4. Maximise interest and audiences for New Zealand screen stories here and overseas
5. Build and maintain stakeholder relationships to generate excellence in partnerships

VALUES

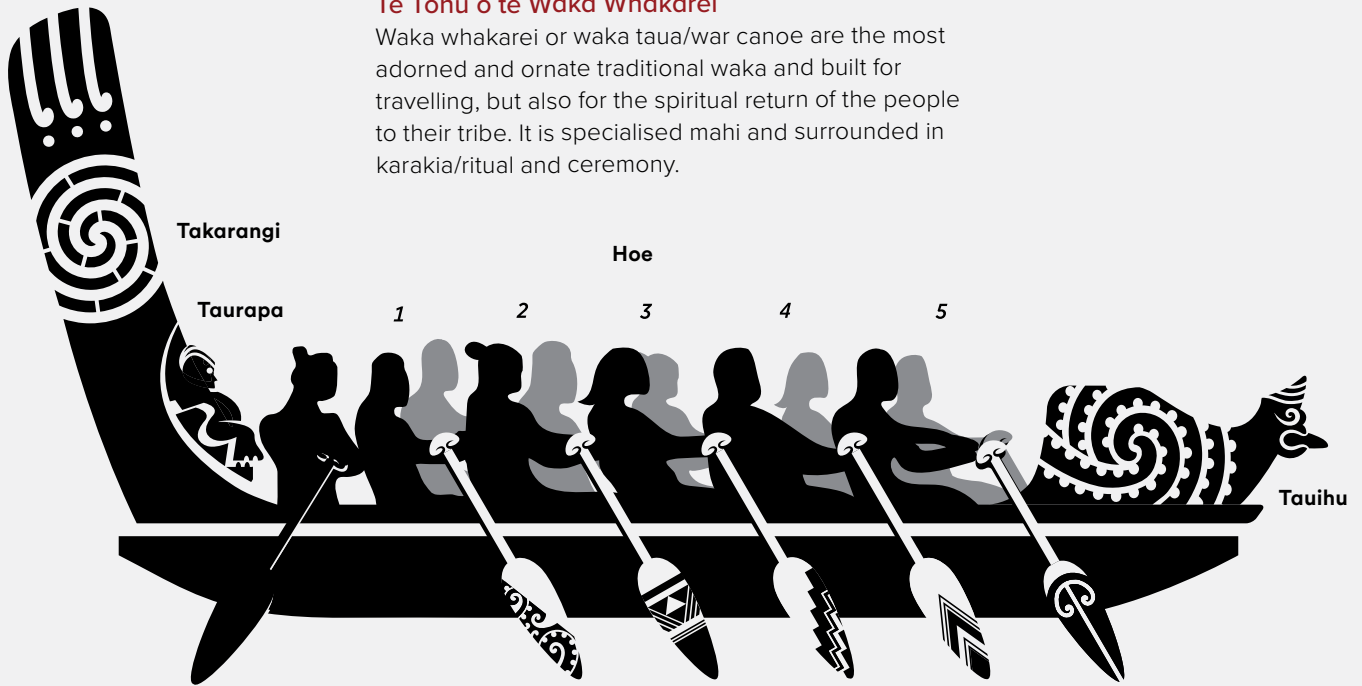
- Creativity is at the heart of what we do
- Professionalism and fairness drive how we act and what we expect
- Courage is what inspires us
- Excellence is what we strive for
- Diversity is good for everyone
- Culture and heritage are what shape us

PADDLES

1. Authentic Stories
2. Economic Growth
3. Dynamic Pathways
4. Maximise interest
5. Excellence in Partnerships

Te Tohu o te Waka Whakareii

Waka whakareii or waka taua/war canoe are the most adorned and ornate traditional waka and built for travelling, but also for the spiritual return of the people to their tribe. It is specialised mahi and surrounded in karakia/ritual and ceremony.



The use of the waka as an image for Te Tumu Whakaata Taonga is multi-part:

- It is a metaphor for the industry being on a journey together
- It represents our unique New Zealand/Māori culture – our point of difference globally
- It embodies the notion of specialised skills collaborating with a purpose
- It reflects the ornate crafting and mastery filmmakers put into their films

Ko te taurapa o te waka koinei te mana o ngā uara, me te tirohanga whānui. Kei reira te pou tikanga o te haerenga e noho ana.

Ko ngā hoe – ko ngā whaingā, e hoe ngātahi ana kia rere tōtika te waka – koinei te mana arā te kaupapa o te haere.

Ko te tauihu o te waka- kei reira te aupounamu e arahi ana i a matou, he tohu o rātou kia wheturangihia.

The taurapa / sternpost of the waka is where the values and vision for the journey sit, and where the leaders sit to guide the direction of the journey.

The hoe / paddles are symbolic of those who contribute to and drive the journey – the practitioners and wider industry working together. They power the hoe / paddles and sit in the takere or main hull of the waka.

The carved figure signifying the identity and tupuna of the tribe is positioned in the tauihu / prow of the waka and cuts through the waves as the canoe moves through the water.

He waka eke noa – a waka we are all in together.

Ko te takarangi he tohu o te Ao, o te moana, o te tangata, o te taiao, o te whenua, o te māramatanga i roto i tēnei Ao hurihuri.

The takarangi, the ornate double spiral symbolises connectivity and the world's energy, to the sea, the people, the environment and enlightenment in this everchanging world. It adorns the taurapa, sitting beneath the hihi whakaata / reflective rays at the top – symbolising the values and innate connection with the energy, the people and the leaders in the waka.

Mahia te mahi hei oranga mō te Iwi. Working in support of the screen industry.

Overview

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 empower and attract distinctive and diverse screen productions with a central vision of championing exceptional storytellers to create enduring taonga for Aotearoa New Zealand. The NZFC is funded by the Ministry for Culture and Heritage (MCH), the Ministry of Business, Innovation and Employment (MBIE) and the New Zealand Lottery Grants Board (NZLGB).

The NZFC supports a diverse range of New Zealand and international screen stories, develops career pathways and offers industry training, funds the production and distribution of New Zealand screen projects, and assists international partners to produce their screen projects in New Zealand.

Each year, the NZFC publishes a Statement of Performance Expectations (SPE) that outlines planned activity, performance targets and forecast financial information for the upcoming financial year. This SPE outlines the performance targets set for the year ending 30 June 2024 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 2022-2026 (SOI)
- New Zealand Government priorities and the Minister's Letter of Expectations

All information is provided in accordance with the Crown Entities Act 2004.

Results of performance against this SPE will be presented in the 2023/24 Annual Report, which will be published in November 2024.

Our work is driven by five strategic goals:



1. Activate high impact, authentic and culturally significant screen stories.

The NZFC will facilitate the production of around 16 feature films annually (including feature film finishing grants), subject to the quality of applications received and quantum of financing requested. The NZFC is available to work in partnership with screen practitioners and their projects from concept stage right through to the marketing and release.

For 40 years, the organisation's focus has been on supporting the industry to make great films to screen in cinemas. With technology changes and more choices for audiences to consume screen content, the NZFC is broadening its scope and support for screen stories that can reach both local and global audiences.

The NZFC recognises Aotearoa's unique and distinctive culture. The NZFC's Te Rautaki Māori, launched in 2018, reflects the partnership and mutually agreed priorities and funding initiatives for the Māori screen sector, the promotion of films from Aotearoa and the professional development of Māori creative talent. A range of bespoke funding exists to meet the objectives of Te Rautaki Māori.

Through the implementation of NZFC's He Ara Whakaurunga Kanorau | Diversity and Inclusion Strategy, the NZFC champions equitable representation so culturally significant stories are recognised by audiences as reflecting Aotearoa in all its diversity.

Films with strong cultural elements, such as *Waru*, *Bellbird*, *Savage*, *Cousins*, *Whina* and *Muru* have resonated the most with audiences over the last 20 years. Continuing to finance films with a strong and unique cultural voice, including at least one per year in Te Reo Māori, is a priority.



2. Sustain and strengthen economic growth for our film industry.

Increased screen production activity leads to strong, sustainable screen businesses that create meaningful employment and contribute to career pathways. While the majority of NZFC annual discretionary budget is allocated to activating the production of distinctive New Zealand screen stories, attracting a regular and diverse range of international productions to New Zealand is important for the ecology and sustainability of screen business and employment in New Zealand.

The New Zealand Screen Production Grant (NZSPG) supports high quality local projects and incentivises international productions. The NZSPG generates screen activity which in turn generates meaningful employment opportunities, economic growth and spill-over benefits in other sectors such as tourism, education and technology.

International productions such as *Mulan*, *M3GAN*, *Time Bandits* and *Avatar* are increasingly identifying and choosing New Zealand talent, leading to accelerated career pathways for directors, writers and actors, as well as crew and technicians.

Working closely with MBIE and MCH, the NZFC ensures New Zealand's screen incentive regime and operating environment are globally attractive and competitive. These requirements are essential to ensure sustainable, commercial, economic and cultural growth and success in New Zealand.



3. Facilitate dynamic pathways for outstanding people, projects and businesses.

The NZFC has an ongoing commitment to finding, fostering and progressing the careers of producers, writers, directors, actors and other screen practitioners. To help screen practitioners build sustainable careers, the NZFC identifies and develops bespoke pathways and opportunities. Partnerships with industry organisations allow for the creation of a wider range of innovative programmes for up-skilling screen practitioners.

The NZFC is also partnering with Toi Mai to undertake research and make recommendations for a pilot workforce capability and development plan for the screen sector.

The facilitation of international connections is another important element. To help talented screen practitioners seek finance for their projects, support for travel to international festivals and markets is offered.

NZFC staff maintain links to key international festivals and markets to build and maintain relationships with sales agents, festival selectors, other national agencies off-shore, and individual producers, financiers, studios, streamers and talent management companies. These relationships along with the attraction of international productions facilitate further business and creative relationships for the industry.



4. Maximise interest and audiences for New Zealand screen stories here and overseas.

The NZFC continues to invest in feature films with domestic theatrical potential, but actively encourages opportunities for them to be seen on other platforms so they can reach the largest number of viewers. Promoting and growing the New Zealand voice on the global stage is also a priority.

Audience research, including test screenings and annual surveys, is undertaken to understand changes in viewing behaviour and monitor audiences which helps support marketing and distribution of NZFC-funded films.

Ensuring access to our screen taonga is critical and the NZFC Video on Demand player ensures the NZFC's back catalogue is available to local viewers.



5. Build and maintain stakeholder relationships to generate excellence in partnerships.

Key stakeholders share the NZFC's aim of empowering the creation of impactful screen stories. To ensure partnerships are productive, the NZFC continues to be proactive, courageous and professional in all engagements, as well as transparent and accountable in collaborations.

An ongoing commitment to improving the health and capability of our organisation begins with having engaged staff, a robust governance structure, valid and appropriate operational policies and effective and efficient internal processes.

The NZFC continues to work with local industry, government organisations and fellow international funding agencies to improve New Zealand screen sector outcomes. We work closely with our colleagues from other government organisations including MCH, MBIE and the Ministry of Foreign Affairs and Trade. We also work with Ngā Taonga Sound and Vision and share our Wellington office building with NZ On Air with which we collaborate on selected projects along with Te Māngai Pāho.

The NZFC provides core operational support to peak sector organisations to enable them to support their members and represent the wider screen sector. Criteria for this funding was revised in 2023.

Recognising the importance of safeguarding New Zealand's film history led to the NZFC becoming a key partner in Te Puna Ataata | The Aotearoa New Zealand Film Heritage Trust, a charitable trust which can be appointed by New Zealand filmmakers to be guardian and decision maker for their films, thus ensuring their films' legacy and accessibility into the future.

Alongside the five strategic focus areas set out in the SOI, the NZFC has organisation strategies that guide our work:

Te Rautaki Māori | Celebrate and facilitate growth of the Māori screen sector

The fundamental role of Te Rautaki Māori is to support and protect the identity of Māori in Aotearoa and the distinctiveness that Māori creatives, content and cultural practices bring to storytelling, filmmakers and films.

The NZFC has undertaken a review of Te Rautaki Māori Strategy, consulting with the industry throughout this process. The NZFC Board and Leadership Team, Māori filmmakers, Ngā Aho Whakaari and other key stakeholders have agreed on core values, aims and objectives that will guide Te Rautaki Māori for a further five years.

Funding initiatives and their implementation will continue to elevate and champion Māori stories and filmmakers through:

- **Whakaahua Tangata** – Representation
- **Te Kawa** – Protocols
- **Te Āheinga me ngā pūmanawa** – Capacity & Capability
- **Te Amorangi ki Mua** – Leadership as Te Tumu Whakaata Taonga
- **Hapai Ō ki Muri** – Leadership of Te Tumu Whakaata Taonga

The revised Rautaki will be published in the 2023/24 financial year.

He Ara Whakaurunga Kanorau | Diversity and Inclusion Strategy

The NZFC published He Ara Whakaurunga Kanorau | Diversity and Inclusion Strategy in June 2022.

The Strategy provides a roadmap to assist the NZFC in becoming a diverse and inclusive organisation and to proactively support the aspirations of our staff, filmmakers, storytellers, stakeholders and audiences. The Strategy lays out actions, initiatives and timeframes and is centred around five strategic outcomes:

- The NZFC has a workplace culture that is diverse, inclusive and equitable
- We understand the makeup of our industry and see progress in diversity and inclusion
- NZFC practices, processes and services are accessible
- Talent and skills development opportunities are equitable and inclusive
- Diverse realities are represented on and off camera

The NZFC Staff Diversity and Inclusion Committee will work alongside the industry, screen sector guilds and agencies to implement specific initiatives in 2023/24.

Progress reports on the Strategy are provided to the NZFC Board twice a year and published on the NZFC website. This is an action under Outcome 2 of the Strategy and is part of our commitment to accountability and transparency. All progress reports on the Strategy can be found [here](#).

The year ahead

Strategic Priorities:

The NZFC is acutely aware of the evolving environment in which we are working, and the need to adopt a flexible approach. We reaffirm the strategic direction set out in the 2022-26 SOI and have identified two strategic priorities that will provide the focus for our work and resources over the next year.

1. Respond and adapt to the shifting screen sector landscape.

The global screen sector is facing a range of changes, challenges, and high levels of uncertainty around existing business models. With changes to media platforms, modes of distribution, content formats, relationships with streamers and evolving technology, the NZFC needs to respond quickly, and evolve alongside them. Focus will be placed on exploring the shifting screen sector landscape and working with the Aotearoa screen sector and government while doing so.

To be responsive, adapt to changes and embrace opportunities, work planned for 2023/24 will include:

- Reviewing NZFC policies, processes and workstreams to reflect an evolving sector.
- Engaging in conversations about the role of cinema exhibition and the role the NZFC should play in funding premium series drama.
- Working with MBIE and MCH to implement any changes resulting from the Review of Government Investment in the Screen Sector.
- Broadening the framework by which we measure success.
- Moving into advanced ways of working, collaborating and communicating digitally, including improving our internal/external communications and our information management systems.

2. Strengthen the understanding and value of the New Zealand screen sector proposition.

As the lead government agency engaging internationally for the Aotearoa screen sector, the NZFC has a key role in communicating the New Zealand screen sector proposition, maintaining international relationships, promoting talented individuals and businesses, the industry reputation for creativity and innovation, and our high quality production values.

To achieve this, the NZFC needs to understand current perceptions of the screen sector, clearly define the screen sector proposition, and engage more effectively with stakeholders. An updated screen sector proposition will lead to opportunities for growth and expansion.

Work planned for 2023/24 includes:

- Reviewing the NZFC communications and engagement strategy that will help us engage effectively with stakeholders, the industry, and the public.
- Reframing stakeholder engagement surveys.
- Developing a stakeholder engagement plan.
- Defining key messages so these speak clearly to our audiences.

Strategic Thinking Project

The NZFC Strategic Thinking Project was put on hold in August 2022, and we are committed to re-launching this project in 2023/24. This will ultimately result in a new SOI that clarifies the strategic direction for the NZFC. This project will enable us to look at our organisation and the capabilities and capacity we need to become a modern, fit-for-purpose crown entity with appropriate internal processes, systems, tools and culture to deliver our services and do our job effectively and efficiently.

Review of Government Investment in the Screen Sector

In December 2021, the Ministers for Arts, Culture and Heritage, and Economic and Regional Development announced a review of the NZSPG to ensure the screen sector has a more secure long-term future. The NZFC has provided support to MCH and MBIE on this review through supplying data, participating in workshops, roundtables and webinars, and meeting regularly with Ministry officials. The NZFC looks forward to working alongside the two agencies to implement any changes resulting from the review.

COVID-19 Recovery Funding

Recently we have started to see growth in New Zealand cinema admissions and global box office figures; and the number of productions seriously impacted or required to shut down due to COVID-19 has significantly reduced. This demonstrates recovery, and a signal that COVID-19 is becoming part of business as usual.

The Screen Production Recovery Fund (SPRF) has provided much needed stability for the screen sector and the Capability Fund has ensured the necessary technical and business capability to meet the challenges of a COVID-19 environment. We will work with MCH over the next year on the reporting and evaluation of these programmes.

The NZFC, NZ On Air and Te Māngai Pāho collaborated to design the Premium Productions for International Audiences Fund (Te Puna Kairangi) with the aim of supporting the Aotearoa New Zealand production sector to recover from COVID-19 by supporting high-quality productions that tell New Zealand stories for global audiences. In total, 15 projects have been awarded Te Puna Kairangi production funding and focus will be placed on successful delivery of these projects in 2023/24.

NZFC contribution to government priorities

The NZFC has a role in delivering to the government’s outcomes/priorities.

Cultural Sector Outcomes:

MCH has identified five success descriptors:

- 1. Culture is inclusive and reflective, supporting people to connect and engage with each other, their community and society.**
- 2. Māori culture is recognised, valued and embraced by New Zealanders.**
- 3. People can access and are participating in cultural activities and experiences.**
- 4. Cultural activity is valued, supported and nurtured.**
- 5. The cultural system is resilient and sustainable.**

The NZFC Strategic and Performance Framework incorporates these success descriptors, and our five goals respond directly to them (see Section 4: Strategic and Performance Framework).

Minister’s Letter of Expectations:

The Responsible Minister writes to the NZFC each year outlining the government’s expectations for the forthcoming performance year. The NZFC has regard to these areas and reports on these expectations to the Minister each quarter. In the 2023/24 Letter of Expectations, three enduring expectations are emphasised:

Supporting a unified, value-based government for all New Zealanders including ensuring ‘no surprises.’

In June 2022, the NZFC No Surprises Policy was reviewed. The update of the policy included robust reporting and filing processes and procedures, and weekly Leadership Team updates on No Surprises. The NZFC is focused on keeping MCH and MBIE informed in a timely manner as and when we identify matters which may be controversial or the subject of public debate.

Supporting future-focussed Māori Crown relations, including supporting the Maihi Karauna and pursuing further opportunities for partnership with Māori entities and businesses.

The NZFC will continue to implement key activities from *He Taonga te reo Māori mahere reo – The Language is a highly valued treasure – NZFC Māori Language Plan (2021-2025)*. The plan supports maintaining core competencies for NZFC staff and the Board with key te reo Māori projects including a glossary of film terms, further development of te reo on the NZFC website, guideline review, translations and ongoing access to te reo Māori acquisition training for staff. The plan sits alongside Te Rautaki Māori supporting and ensuring te Reo Māori is valued in the NZFC and as a living language of the Aotearoa screen sector.

Taking active steps to reduce greenhouse gas emissions, improve energy efficiency, and reduce waste outputs.

As an organisation we are committed to managing and reducing our carbon emissions in support of the national target of achieving net zero carbon emissions by 2050. The NZFC joined Toitū Envirocare’s carbon reduce programme in 2022 to help identify and measure our carbon emissions and establish a base year of emissions data for the NZFC. The results of our annual carbon audit will be used to develop an Emissions Reduction and Management Plan.

Government Economic Plan

The Government’s economic plan is focused on supporting Aotearoa to become a high wage, low emissions economy that provides economic security in good times and bad.

NZFC funded productions provide skilled jobs for New Zealanders working in the screen industry and the NZFC supports the professional development of filmmakers who work on New Zealand and international feature film and series projects.

A high level of screen activity generates economic growth and spill-over benefits in sectors such as tourism, education and tech industries, including for regional New Zealand. The NZSPG generates foreign revenue by attracting international production companies and studios to spend in the economy during production and/or post-production. Productions funded by the NZFC that showcase New Zealand’s natural environment, culture and society contribute to marketing New Zealand as an attractive production destination. The NZFC is also committed to enabling international productions in New Zealand – these partnerships are a signal that New Zealand is open for business beyond the screen industry.

The NZFC will continue to work effectively with MBIE to ensure that this activity maximises economic benefits for New Zealanders and supports the government’s economic plan.

Strategic and performance framework

The NZFC uses the “investment to outcomes” framework model to demonstrate performance. 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 MCH. 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, leverage economic benefits for New Zealand, and provide a suite of services to support international clients during their time in New Zealand.

Outputs are delivered through eight activity classes:

Talent Development

This activity class comprises knowledge sharing, training, professional development, on the job development, short films and progression to feature films or series drama. Investing in professional development ensures talented people develop successful careers and create a diverse range of projects that will be successful in a modern screen industry. Investing in a wide diversity of programmes in partnership with industry organisations ensures a growing and sustainable talent base in New Zealand. A proactive approach to diversity, equality and inclusion ensures the talent developed as well as the films made reflect contemporary New Zealand society.

Development and Production

This activity facilitates the development and production of a range of feature films each year by providing development and/or production funding to New Zealand projects. It includes the International Co-Development Fund, devolved development schemes such as He Ara, Seed Funding and Boost, Feature Film Finishing Grant, and bespoke production funding opportunities for Māori.

Te Rautaki Māori and Pacific Island screen stories

This activity class focuses on ensuring the effective implementation of the NZFC’s Te Rautaki Māori, developing robust and effective partnerships with the Māori screen industry, and the development and implementation of funding initiatives and training opportunities for Māori and Pacific Island screen practitioners.

Marketing

This activity class aims to maximise the audience for New Zealand films, in cinemas and on other screens, here and overseas. Marketing grants are provided to distributors to create trailers and enhance domestic cinema releases, and to independent filmmakers to finish and screen their projects. New Zealand films are promoted at key international festivals and markets. Older feature films that are not independently represented by sales agents remain in the care of the NZFC within a collection of films called Te Ahi Kā. Te Ahi Kā means the home fire – a concept which epitomises the organisation’s intention to be a responsible guardian and marketer for New Zealand screen taonga.

International relations

This activity class focuses on the facilitation of strategic relationships between the New Zealand screen industry and international counterparts, especially those in Europe, North America and Asia. It has a particular focus on facilitating official film and television co-productions under New Zealand's 18 bilateral co-production treaties and agreements and is the first point of contact for New Zealand's overseas diplomatic posts, foreign diplomatic posts in New Zealand, and all the NZFC's sister agencies internationally. This activity class also performs the role of "competent authority" in certifying film and television official co-productions.

International screen business attraction and promotion

This activity class focuses on the promotion of New Zealand as a destination of choice for international screen production through highlighting key factors such as capability and capacity, business friendliness, creativity, technical expertise, favourable exchange rates, incentives and locations and through provision of a fast-responding and expert enquiries service. The best possible advice is provided, with support and information to encourage incoming productions to choose to work in New Zealand.

Screen incentives

This activity class comprises administration of the NZSPG on behalf of MBIE and MCH in accordance with the criteria, including the management and convening of the NZSPG panel and support to MCH and MBIE with the government review of screen sector funding. It also includes the negotiation and facilitation of the 5% Uplift, available to selected international productions.

Corporate

The NZFC's core support unit comprises Legal and Business Affairs, Policy, Human Resources, Communications, Office Administration, Business Technology Services and Finance and is responsible for compliance and effective operations behind the scenes.

Figure 1 | NZFC investment to outcomes framework

Cultural sector outcomes	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 in participating in cultural activities and experiences	Cultural activity is valued, supported and nurtured	The cultural system is resilient and sustainable
NZFC goals	Activate high impact, authentic and culturally significant screen stories	Sustain and strengthen economic growth for our screen industry	Facilitate dynamic pathways for outstanding people, projects and businesses	Maximise interest and audiences for New Zealand screen stories here and overseas	Build and maintain stakeholder relationships to generate excellence in partnerships
Output class	Output 1	Outputs 1 & 2	Output 1	Output 1	Output 1
How we will make a difference	Facilitate development and production opportunities Encourage more screen stories Fund the production of culturally significant films, including those in Te Reo Māori Provide development opportunities for underrepresented voices in the screen industry	Position New Zealand as a leading destination for screen production Promote and administer the screen incentives Attract international productions that maximise economic and cultural benefits for New Zealand Facilitate strategic relationships that maximise economic and cultural benefits for New Zealand	Identify and support New Zealand screen talent Connect New Zealand and international screen talent	Provide effective marketing support for cinema releases Manage a focused international festival strategy Conduct audience research	Refine internal systems to offer better service to our external clients and partners Build long-term partnerships with people and businesses that align with our goals Ensure staff are expert, motivated, courageous and proactive professionals Engage and empower diverse communities
How we will know we are making a difference	Number of culturally significant films financed by the NZFC Number of feature films and series dramas with NZFC development support Increased use of official co-production structures Number of culturally significant films released in New Zealand Domestic critical acclaim	Feature film production spend in New Zealand grows Volume of international productions Private investment into NZFC films grows over time More connections with international screen partners	New Zealand screen talent moves from talent development initiatives to feature films or drama series over time New Zealand screen talent is involved in feature films or series drama with strong market attachments New Zealand screen talent is working internationally or with international partners	Total domestic audience for NZFC films across all screens Total annual admissions for NZFC-funded films at New Zealand cinemas Number of New Zealand films selected for A-list festivals Number of films with 50,000+ domestic theatrical admissions annually	Increased satisfaction rating from stakeholders Recognised by industry as being a focused, high performing, learning organisation Partners work together to share knowledge, learning and seek meaningful collaboration

Figure 2 | Summary of Forecast Revenue and Output Expenditure

Output 1: Vote Arts, Culture & Heritage

	2023/24 Budget	2022/23 Budget	2022/23 Forecast	2021/22 Actual
A. Revenue				
Crown revenue – MCH	5,401	5,401	5,401	5,401
Crown revenue – MCH – Covid Related	–	5,000	3,125	31,488
Lottery Grants Board revenue	21, 00	23,350	23,350	23,347
Writebacks	–	–	–	6,040
Other revenue	2,710	820	10	1,411
Total Revenue	29,611	34,571	31,886	67,687
B. Output Expenses				
Talent development	3,583	3,790	3,610	3,917
Rautaki	920	968	883	710
Development and production	20,825	21,037	21,710	53,526
Covid Recovery Funds	–	5,000	3,125	–
Premium Fund	–	300	400	–
Marketing	1,837	1,930	2,119	1,153
International relations	205	233	328	107
Screen incentive administration	135	116	225	115
Total funding commitments	27,505	33,374	32,400	59,528
Personnel	5,621	5,415	6,055	4,789
Corporate overheads	2,403	2,079	2,236	2,138
Total Output Expenses	35,529	40,868	40,691	66,455

Output 2: Vote Business, Science & Innovation

	2023/24 Budget	2022/23 Budget	2022/23 Forecast	2021/22 Actual
A. Revenue				
Crown revenue – MBIE	1,300	1,300	1,300	1,300
Total Revenue	1,300	1,300	1,300	1,300
B. Output Expenses				
Int. screen business attraction	398	425	365	119
Int. screen promotion	173	170	185	35
Screen incentive administration	137	111	150	110
Total funding commitments	708	706	700	264
Personnel	725	760	750	750
Corporate overheads	229	222	230	220
Total Output Expenses	1,662	1,688	1,680	1,234

The forecast film investment targets and performance expectations related to the NZFC’s discretionary funding are subject to receipt of satisfactory funding applications from filmmakers. If sufficient quality feature film production funding applications are not received in any 12-month period (due to the cyclical nature of the industry), funds will be held over for the following financial year.

Forecast Financial Performance

The NZFC is planning to run a deficit of approximately \$4.7M in the 2023/24 financial year. We expect to commence the year with \$10M of equity and finish the year with \$5.36M of equity.

The NZFC has been fortunate in holding a high level of reserves in recent times, which we are now deliberately reducing to ensure continuing strong levels of talent development and production activity in the screen sector.

The NZFC has had several years of steady increases in annual grants from major funder the NZLGB.

Indications are that Lotto profits have peaked and will commence reducing from existing levels in 2023/24.

NZFC's share of Lotto profits (paid via NZLGB) generally equates to about 70% of total income.

In the short term, the NZFC will offset the impact of this anticipated reduction in funding by running down reserves, but from 2024/25 will need to run balanced budgets, which will necessitate reductions in expenditure.

Performance assessment



1. Activate high impact, authentic and culturally significant screen stories

Impact measures	Actual 2021/22	Target 2022/23	Status 2022/23	Target 2023/24
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Fund the production of culturally significant feature films and long-form screen stories¹

1a. Percentage of NZFC-financed long-form screen stories that are culturally significant (over a three-year timeframe)	87%	80%	91%	80%
1b. Percentage of New Zealanders who agree that New Zealand screen stories are important ²	82%	75%	86%	90%

Facilitate film development and production opportunities

1c. Number of long-form screen stories produced with NZFC development support (direct or devolved) ³	N/A	N/A	N/A	New Measure
1d. Number of long-form screen stories produced with NZFC production funding ⁴	N/A	N/A	N/A	New Measure

Operational and output measures	Actual 2021/22	Target 2022/23	Status 2022/23	Target 2023/24
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Champion Māori film and filmmakers in partnership with the Māori screen industry

1e. Percentage of short films, feature films or series dramas that receive NZFC development and/or production funding with Māori practitioners in at least two key creative roles ⁵	23%	20%	19%	20%
1f. Number of short films, feature films or series dramas in te reo Māori receiving NZFC development or production funding ⁶	4	3	3	3

Facilitate film development and production opportunities

1g. Percentage of short films or feature films that receive NZFC production funding with a woman or gender-diverse director attached	42%	50%	44%	50%
1h. Number of long-form screen stories offered NZFC production funding ⁷	39	18	16	18
1i. Number of long form screen stories funded through Te Puna Kairangi Premium Productions Fund that reach final delivery by 30 June 2024.	New Measure	4	1	8

1 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 these criteria.

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

3 Definition of "long-form screen stories produced": First day of principal photography falls within the period of the financial year. Development support includes funding through schemes such as Seed, Early Development, Advanced Development, He Ara, Boost or Whakawhanake Kiriata. This includes screen stories receiving NZFC production financing and/or the NZSPG – NZ and those produced without NZFC production funding.

4 Definition of "long-form screen stories produced": First day of principal photography falls within the period of the financial year. This includes screen stories receiving NZFC production financing.

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

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

7 Measured from the date a commitment to funding a production is made. Covers projects receiving NZFC production financing and feature film finishing grant.

2. Sustain and strengthen economic outcomes for our screen industry

Impact measures	Actual 2021/22	Target 2022/23	Status 2022/23	Target 2023/24
Position and promote New Zealand as a leading destination for screen production				
2a. Percentage of international stakeholders who agree that New Zealand is considered a world leading destination for screen production ⁸	N/A	85%	TBC	N/A
2b. Total annual value of Qualifying New Zealand production expenditure in New Zealand administered within the NZSPG (NZ productions)	\$113.9M	\$121.95M	\$120.73M	\$157M
2c. Total annual value of Qualifying New Zealand production expenditure administered within the NZSPG (international productions)	\$440.8M	\$1,253.18M	\$623.17M	\$1,200M
2d. Percentage of New Zealand cast and crew employed on international productions receiving the NZSPG	N/A	New measure	90%	85%
Output measures				
2e. Number of final NZSPG certificates issued for New Zealand productions ⁹	26	28	24	35
2f. Number of final NZSPG certificates issued for international productions ¹⁰	9	32	24	22
2g. Number of international screen productions submitting new registrations for the NZSPG ¹¹	N/A	N/A	N/A	10
2h. Number of enquiries for prospective productions serviced within the financial year ¹²	New measure	30	54	30
2i. Number of international productions starting principal photography within the financial year.	New measure	8	5	8
2j. Number of provisional and final official co-production certificates issued	15	20	7	20

⁸ Calculated from the New Zealand Film Commission's biennial stakeholder survey. The percentage of respondents (producers or studio executives who have made enquiries about international productions or NZSPG International) who strongly agree or agree with the statement: New Zealand is a leading destination for screen production.

⁹ NZSPG applications are assessed by a panel comprising representatives from MCH or MBIE as appropriate, NZFC staff and independent industry experts. This number does not include provisional grants. Estimates are based on production schedules provided at time of registration or provisional application. The ongoing impact of COVID-19 may affect actual production and therefore administration timeframes.

¹⁰ NZSPG applications are assessed by a panel comprising representatives from MCH or MBIE as appropriate, NZFC staff and independent industry experts. This number does not include provisional grants. Estimates are based on production schedules provided at time of registration or provisional application. The ongoing impact of COVID-19 may affect actual production and therefore administration timeframes.

¹¹ This measure is specifically in relation to the MBIE appropriation of \$1.3M.

¹² 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 specially in relation to the MBIE appropriation of \$1.3M.

3. Facilitate dynamic pathways for outstanding people, projects and businesses

Impact measures	Actual 2021/22	Target 2022/23	Status 2022/23	Target 2023/24
Identify and support New Zealand screen talent				
3a. Total number of writers, producers and directors who have an NZFC funded long-form screen story in development or production during the current financial year who have received support through a NZFC talent development initiative in the last five years	New measure	Benchmark	35	30
Output measures				
3b. Number of short films funded by the NZFC	14	14	9	14
3c. Number of Māori practitioners supported through Te Rautaki talent development initiatives	24	5	17	15
3d. Total number of screen practitioners participating in NZFC funded talent development initiatives and programmes ¹³	113	80	111	80

¹³ This measure includes only opportunities the NZFC funds directly, not those provided in partnership with another organisation.

4. Maximise interest and audiences for New Zealand screen stories here and overseas

Impact measures	Actual 2021/22	Target 2022/23	Status 2022/23	Target 2023/24
Provide effective marketing support for domestic cinema releases				
4a. Percentage of New Zealanders who have seen a New Zealand film in the last 12 months ¹⁴	50%	55%	50%	55%
4b. Total annual admissions at the New Zealand box office for all NZFC-funded feature films (Admissions during 1 July – 30 June financial year)	159,683	200,000	387,832	400,000
4c. Number of NZFC-funded films that secured more than 50,000 admissions at the New Zealand box office (Admissions during one-year time-period 1 July-30 June financial year)	0	1	3	2
Manage a focused festival strategy				
4d. Number of NZFC -funded feature and short films that are selected for premiere film festivals ¹⁵	13	10	9	10
4e. Number of NZFC-funded long-form screen stories to screen in the New Zealand International Film Festival or Doc Edge Film Festival	14	5	9	10
Impact measures				
4f. Number of feature film directors who have had more than one NZFC-financed feature film screened at a premiere film festival* (in the 7-year period 1 July 2016 – 30 June 2023)	6	6	4	6
4g. Number of feature film directors whose NZFC-funded short film(s) have screened at premiere film festivals* (during the 5-year period 1 July 2018 – 30 June 2023)	4	4	3	4

¹⁴ 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?”

¹⁵ Premiere film festivals are: Cannes, Berlin, Toronto, Sundance, Venice, Melbourne, Rotterdam, SXSW, Tribeca, IDFA, Clermont Ferrand, Busan, Sydney and Hot Docs. In previous years these have been referred to as A-List film festivals.

*Premiere film festivals for these measures include the New Zealand International Film Festival (NZIFF) as well as those listed above.

5. Build and maintain stakeholder relationships to generate excellence in partnerships

Impact measures	Actual 2021/22	Target 2022/23	Status 2022/23	Target 2023/24
5a. Average overall satisfaction rating in dealing with team responsible for talent development ¹⁶	N/A	N/A	TBC	N/A
5b. Average overall satisfaction rating in dealing with the team responsible for screen incentives, co-productions and international screen attractions ¹⁷	N/A	N/A	TBC	N/A
5c. Average overall satisfaction rating in dealing with the team responsible for long-form and short form screen story marketing ¹⁸	N/A	N/A	TBC	N/A
5d. Average overall satisfaction rating in dealing with team responsible for development and production funding (including Te Puna Kairangi Premium Fund) ¹⁹	N/A	N/A	TBC	N/A
5e. Average overall satisfaction rating in dealing with team responsible for Rautaki Māori ²⁰	N/A	N/A	TBC	N/A

Organisational Health

Measures	Actual 2021/22	Target 2022/23	Status 2022/23	Target 2023/24
Annual staff engagement survey – performance index ²¹	NA	65%	74% ²²	68%
Individual staff performance and development needs are assessed annually	Achieved	Achieve	Achieved	Achieve
Reported safety hazards are attended to promptly, significant hazards are attended to within one working day	Achieved	Achieve	Achieved	Achieve
Proactive support of a safe & healthy workplace. Immediate investigation of any reported instances of harassment, bullying or discrimination.	Achieved	Achieve	Achieved	Achieve
Exit interviews are offered to all leavers. Constructive feedback is welcomed, and relevant actions are implemented	Achieved	Achieve	Achieved	Achieve

16 The NZFC's Biennial Stakeholder Survey reports on the percentage of people who are satisfied with the statement: Overall, I am satisfied with my experience in dealing with the NZFC team responsible for talent development. Note the 2022/23 survey was conducted in June 2023 – results from this will be published in the Annual Report.

17 The NZFC's Biennial Stakeholder Survey reports on the percentage of people who are satisfied with the statement: Overall, I am satisfied with my experience in dealing with the NZFC team responsible for incentives, co-productions, international screen business attraction and international relations. Note the 2022/23 survey was conducted in June 2023 – results from this will be published in the Annual Report.

18 The NZFC's Biennial Stakeholder Survey reports on the percentage of people who are satisfied with the statement: Overall, I am satisfied with my experience in dealing with the NZFC team responsible for long-form and short-form screen story marketing. Note the 2022/23 survey was conducted in June 2023 – results from this will be published in the Annual Report.

19 The NZFC's Biennial Stakeholder Survey reports on the percentage of people who are satisfied with the statement: Overall, I am satisfied with my experience in dealing with the NZFC team responsible for long-form story development and production. Note the 2022/23 survey was conducted in June 2023 – results from this will be published in the Annual Report.

20 The NZFC's Biennial Stakeholder Survey reports on the percentage of people who are satisfied with the statement: Overall, I am satisfied with my experience in dealing with the NZFC team responsible for Rautaki Māori. Note the 2022/23 survey was conducted in June 2023 – results from this will be published in the Annual Report.

21 The Public Sector benchmark is 64%.

22 Results from a pulse survey conducted in September 2022.

Forecast financial statements

The forecast financial statements provide all appropriate financial information and explanations needed to fairly reflect the forecast financial operations and financial position of the NZFC for the year ending 30 June 2024 in accordance with section 149G of the Crown Entities Act 2004.

Prospective statement of comprehensive revenue and expenditure

For the year to 30 June 2024

	2023/24 Budget \$000s	2022/23 Budget \$000s	2022/23 Forecast actual \$000s
Revenue			
Crown revenue – MCH	5,401	5,401	5,401
Crown revenue – MCH – SPRF recovery fund	–	5,000	3,125
Crown revenue – MCH – Premium Fund	–	–	–
Crown revenue – MBIE	1,300	1,300	1,300
Lottery Grants Board revenue	22,750	23,350	23,350
Film income and sales commission	350	310	900
Interest received	1,250	500	1,500
Writebacks	–	–	–
Other income	10	10	10
Total Operating Revenue	31,061	35,871	35,586
Government grant – NZSPG	62,800	67,600	48,370
Total Revenue	93,861	103,471	83,956
Expenditure			
Talent development	3,583	3,790	3,662
Covid Recovery Capability Fund	–	–	–
Rautaki	920	968	928
Development and production	20,825	21,037	21,613
Covid Recovery Fund (SPRF)	–	5,000	3,125
Premium Production Fund	–	300	400
Marketing	1,837	1,930	2,005
International screen business attraction & promotion	470	595	558
International relations	205	233	344
Screen incentives administration	255	227	351
Depreciation & amortisation	250	200	250
Personnel	6,346	6,175	6,805
Corporate	2,500	2,101	2,216
Total Operating Expenditure	37,191	42,556	42,257
Government grant – NZSPG	62,800	67,600	48,370
Total Expenditure	99,991	110,156	90,627
Net Surplus/(Deficit)	(6,130)	(6,685)	6,671
Other comprehensive revenue and expense	–	–	–
Total Comprehensive Expense	(6,130)	(6,685)	6,671
Statement of forecast movements in equity			
Public Equity as at 1 July	9,000	15,476	15,671
Total Comprehensive Expense	(6,130)	(6,685)	6,671
Public Equity as at 30 June	2,870	8,791	9,000

Prospective statement of financial position

As at 30 June 2024

	2023/24 Budget \$000s	2022/23 Budget \$000s	2022/23 Forecast actual \$000s
Current Assets			
Cash and cash equivalents	3,000	3,000	5,000
Term deposits	28,000	20,000	35,775
Accounts receivable	4,370	7,000	5,000
NZSPG receivable	50,000	45,000	55,000
	75,370	75,000	100,775
Non Current Assets			
Investments	–	–	–
Fixed assets	300	400	325
	300	400	325
Total Assets	75,670	75,400	101,100
Current Liabilities			
Accounts payable	3,000	3,000	6,000
Employee Entitlements	300	350	350
Film income account	500	250	750
Project commitments	19,000	18,700	30,000
NZSPG provision	50,000	45,000	55,000
	72,800	67,300	92,100
Public Equity	2,870	8,791	9,000
Total Liabilities & Public Equity	75,670	76,091	101,100

Prospective statement of cash flows

For the year to 30 June 2024

	2023/24 Budget \$000s	2022/23 Budget \$000s	2022/23 Forecast actual \$000s
Cash Flows from Operating Activities			
Receipts from Crown Revenue & Other Income	32,000	80,000	70,000
Interest Received	1,250	600	1,500
Production Funding, Marketing, Industry Support, Suppliers & Employees	(35,250)	(79,600)	(74,045)
Goods and Services Tax (net)	–	–	–
Net Cash from Operating Activities	(2,000)	1,000	(2,545)
Cash Flows from Investing Activities			
Sale of investments	30,000	32,000	35,000
Purchase of investments	(30,000)	(33,000)	(33,000)
Purchase of Property, Plant & Equipment	–	–	–
Sale of Property, Plant & Equipment	–	–	–
Purchase of Intangible Assets	–	–	–
Net Cash from Investing Activities	–	(1,000)	2,000
Cash Flows from Financing Activities			
Short Term Loans Issued	–	–	–
Short Term Loans Repaid	–	–	–
Net Cash from Financing Activities	–	–	–
Net Increase / (Decrease) in Cash at Bank	(2,000)	–	(545)
Opening Cash at Bank	5,000	3,000	5,545
Closing Cash at Bank	3,000	3,000	5,000

Notes to the financial statements

Financial planning assumptions

In the projected financial statements for the year ended 30 June 2024 we have assumed that:

- a. Our core business will remain unchanged with financing the production of New Zealand feature films/screen stories remaining the most important activity.
- b. We will continue to take commercial recoupment positions in the films we invest in.
- c. Film income estimated as \$1.45M and interest received estimated as \$1.25M will augment Crown and Lottery funding. If these sums are not achieved, the feature film production funding budget will be reduced pro rata by the required amount.

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 and 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 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).

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

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

The COVID-19 pandemic developed rapidly in 2020 and had a significant impact on the New Zealand economy. The financial impact of the pandemic on the NZFC has not been material. Due to the high level of reserves and working capital held by the NZFC there is no significant impact on the going concern of the NZFC.

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 dates of the transactions. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year end exchange rates of monetary assets and liabilities denominated in foreign currencies 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.

Budget figures

The budget figures are approved by the Board at the beginning of the financial year.

The budget figures have been prepared in accordance with NZ GAAP and are consistent with the accounting policies adopted by the NZFC for the preparation of the financial statements.

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.

NZSPG-NZ provision

The provision calculation is based on the timeline of the production and estimated qualifying expenditure. The completion date of the production and estimated qualifying spend are taken from provisional and final application forms. At the end of the year a review is undertaken of final completion dates of the projects to ensure the provision is based on the best information available.

The impact of COVID-19 has meant that the completion dates of projects have been pushed out. However, the total qualifying spend has not been impacted as any additional COVID-19 related spend is not considered qualifying spend. Additional spend incurred due to COVID-19 is covered by the NZ Screen Sector Recovery Fund.

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. Feature film production funding assistance is provided in the form of equity investment. These give the NZFC an entitlement to share financially alongside other investors if the film is commercially successful.

We have exercised judgement in developing our funding expenditure accounting policy as there is no specific accounting standard for funding expenditure. A challenging area in particular is accounting for funding arrangements that include conditions or milestones. Although our feature film production funding contracts may set out milestones, these are primarily for administrative purposes, and on this basis, we recognise the full commitment as expenditure in the financial year of commitment. Furthermore, our assessment is that the recipient and other related parties have a valid expectation that funding will be paid in full.

With the introduction of the new PBE Accounting Standards, there has been debate on the appropriate framework to apply when accounting for such expenditure. We are aware that the need for a clear standard or authoritative guidance on accounting for grant expenditure has been raised with the New Zealand Accounting Standards Board. We will keep the matter under review and consider any developments.

Funding liabilities

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

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

New Zealand
FILM COMMISSION



Te Tumu Whakaata Taonga