

New Zealand  
FILM COMMISSION



Te Tumu Whakaata Taonga



The New Zealand Film Commission | Te Tumu Whakaata Taonga

# Statement of Performance Expectations 2025–26



# 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  
*Chair*



David Wright  
*Chair, Finance, Audit & Risk Committee*

23 June 2025

**New Zealand  
FILM COMMISSION**



Te Tumu Whakaata Taonga

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Cover image: Mareta (Anapela Polataivao) in Tinā © 2025



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Marlon Williams: Nga Ao E Rua - Two Worlds (2025)

# Overview

## Tirohanga Whānui

The New Zealand Film Commission Te Tumu Whakaata Taonga (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, we aim to empower our storytellers, contribute to New Zealand's cultural identity and advocate 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 the 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) for both International and New Zealand Productions, which is expected to result in more than NZ\$160 million in rebates paid to productions in FY25/26, and provide the certification of 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 (Manatū Taonga), 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 2026 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

All information is provided in accordance with the Crown Entities Act 2004. Results of performance against this SPE will be presented in the 2025/26 Annual Report.

## Te Rautaki Māori Strategy

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

- **Representation: Promote authentic, grounded representation of Māori cultural content and stories through 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 kawē 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 grow the calibre of craft for Māori creatives, provide guidance and support that influences stories of Aotearoa, demonstrate leadership 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.



**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.

**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.

**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.







Hinetu Dell and Darneen Christian in *Kōkā* (2025) © Aku Films Limited



# Contribution to Government Priorities

## Tāpaetanga Whakaarotau a te Kāwanatanga

The NZFC has a role in delivering government outcomes and priorities, specifically priorities for Arts, Culture and Heritage and Economic Growth.

### Cultural Sector Outcomes:

#### Manatū Taonga Ministry for Culture and Heritage Strategic Priorities

We are part of the cultural sector and contribute to the sector's vision "Culture is thriving, the people are well." We play an important role in contributing to the priorities of Manatū Taonga:

- 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 will support the aspirations of Amplify: A Creative and Cultural Strategy for New Zealand and contribute to its actions and outcomes. NZFC will also support the Media Reform work aims of Manatū Taonga. Specifically, creating a fit for purpose regulatory and funding environment and supporting a healthy and sustainable media and content production sector that delivers for New Zealand audiences.

### Minister's Letter of Expectations:

The Responsible Minister writes to the NZFC each year outlining the government's expectations for the forthcoming performance year. In the 2025/26 Letter of Expectations, five specific expectations for the NZFC are noted:

1. **Continue to deliver efficiently and effectively in the evolving screen sector landscape and in line with its legislative functions as set out in the New Zealand Film Commission Act 1978**

The NZFC is identifying opportunities to create efficiencies in the NZSPR administrative

process, reducing cost through enabling faster decision making of the assessment of Provisional applications for the New Zealand Rebate, and streamlining of Rebate Panel meetings.

NZFC funding processes have been streamlined to make them simpler and more accessible, removing some deadlines and resulting in faster decisions, clearer criteria and greater bespoke support for projects.

2. **Continue to collaborate with NZ On Air and Te Māngai Pāho to ensure operational efficiencies, delivering in new and innovative ways for benefit of the sector**

NZFC recognises the strength in taking a collaborative approach with fellow funding agencies NZ On Air and Te Māngai Pāho. We work in partnership in Mahi Tahi – a joint discovery project which aims to create alignment and consistency across the screen sector, sharing resources and finding efficiency. In 2025/26 this will be achieved through shared research projects, industry capability development programmes and collaborative AI principles and policies.

3. **Work with the Ministry to improve ways of reporting to capture NZFC achievements with transparency and a focus on NZFC's contribution to the New Zealand economy**

We are collaborating with NZ On Air and Te Māngai Pāho on a research project which will be used to strengthen our reporting and provide robust evidence of NZFC's contribution to New Zealand. The research will analyse and provide evidence of the cultural and economic impact of the screen sector.

We refine and improve the SPE and key performance indicators each year to better communicate to stakeholders our outcomes and how NZFC funding and initiatives are making a difference to New Zealanders.

Having an effective relationship with the Monitoring Team at Manatū Taonga is important to NZFC, and we work closely and meet regularly with the team to discuss reporting, welcoming feedback and suggestions for improvement.

4. **Seize opportunities to support continued sector skill development, diversification, and ensure funded content is of high-quality so that it appeals to and engages modern New Zealand and global audiences**

The NZFC is refining its focus by investing in the development, production and promotion of high quality, engaging films. Priority during assessment of funding applications will be on audience preference, funding films written and crafted by exceptional New Zealand creatives displaying bold, distinctive voices.

NZFC development funding caps have increased, enabling films and filmmakers greater opportunity to prepare and an ability to spend more time on their projects. This includes early engagement with market partners before applying for production funding. While fewer projects across the lifecycle will receive the full cap, films that receive NZFC production funding via development pathways will be more rigorously developed and their team will be better prepared to make the best film they can.

Leading into these funding strands is the vital support to get filmmakers and projects to this level, and to enhance productivity in the screen sector. NZFC is funding organisations with a global focus and high-level filmmaking expertise to create world-class talent development opportunities for New Zealand filmmakers such as Jane Campion's *A Wave in the Ocean*, and the Māoriland Indigenous Co-Lab. NZFC has also announced two significant initiatives aimed at boosting New Zealand's animation industry with a focus on moving beyond the service industry to create high quality original IP.

5. **Have robust decision-making criteria in place, in line with the requirements to maintain political neutrality, and to ensure funding decisions are aligned to NZFC's strategic intentions and impacts.**

NZFC funding processes have robust assessment criteria in place, and all decisions are made in line with funding guidelines, NZFC terms of trade (where

relevant) and the New Zealand Film Commission Act 1978. To receive production investment, films must contribute to some, or all of the strategic objectives set out in the NZFC Statement of Intent 2024-28.

Funding changes announced for 2025 are designed to simplify processes, enhance accessibility and support a broader range of filmmakers. With an emphasis on commercial viability, animation and innovation, these updates aim to make New Zealand's film industry more dynamic and globally competitive.

To ensure political neutrality and maintain the confidence of both current and future governments, NZFC decision-makers and the Board have regard to Public Service Commission political neutrality guidance and our Conflict of Interest Policy.

### **Economic Outcomes:**

Building a stronger, more productive economy that lifts incomes and increases opportunities for New Zealanders is a priority for the government.

Going For Growth sets out the approach the Government is taking to make New Zealand's economy grow faster, to increase living standards and opportunities for all New Zealanders. It sets out five pillars driving the push for economic growth:

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

The attraction of international productions and co-productions enhances New Zealand's global presence, creates jobs, drives foreign investment, and stimulates growth across local industries. Maintaining and enhancing the NZSPR solidifies New Zealand's position as a competitive destination for international filmmakers, supporting economic growth and generating local employment opportunities.

The screen sector makes a valuable cultural, social and economic contribution to New Zealand's economy,



enjoying growth of 6.38% per annum since 2014 compared to the general economy's average growth of 0.46%.<sup>1</sup> The wider screen sector provides \$3.3B GDP annually and workers in the screen sector provide \$210,000 GDP per full time equivalent compared to \$152,000 for the general economy.

Critical to the continued growth of the screen sector is access to funding and investment and the ongoing maintenance of a stable investment regime, as provided through the NZSPR. The Rebate system must remain stable and predictable to promote business growth, both for internationally focused New Zealand productions and international inbound productions.

Also key to achieving growth in the screen sector is identifying new sources of investment to create jobs, develop more New Zealand intellectual property and grow more businesses of scale. Developing New Zealand IP for both local and global audiences remains a key priority, and Māori and Pacific films have long been among our most successful exports.

The global screen industry presents challenges and opportunities, and New Zealand is proactively responding with strategic solutions:

- **Stunning Accessible Locations and Skilled Talent:**

Our landscapes and skilled professionals continue to set us apart, maintaining New Zealand's standing as a preferred location for international filmmakers.

- **Global Reputation for Creativity and Innovation:**

Known for creativity, New Zealand ensures it stays at the forefront by embracing technological advancements— such as virtual production and artificial intelligence.

- **Strong Track Record in Co-Productions:** Strategic international partnerships diversify funding, reduce dependence on government funding, provide exposure, and generate ongoing revenue streams over time, ensuring New Zealand's competitiveness in a rapidly changing market.

- **Attracting and Retaining Talent:** Our global reputation as a production destination continues to attract internationally renowned projects and filmmakers. Notably, highly experienced New Zealand filmmakers with established international careers increasingly choose to bring their productions home. Productions such as *The Power of the Dog*, *The Convert*, and *I, Object* demonstrate the ability of these creatives to influence location decisions, attracting significant investment and creating local economic benefits. By engaging closely with key expatriate filmmakers globally, the NZFC ensures that New Zealand remains a preferred destination for their major projects.

The NZFC will continue to work with MBIE and Manatū Taonga to ensure that our activity maximises economic benefits for New Zealanders and supports the government's economic priorities. Information regarding the New Zealand Screen Production Rebate, including the productions supported and the total value of approved Qualifying New Zealand Production Expenditure will be reported in the 2025/26 Annual Report.

<sup>1</sup> Te Wao Nui o Toi – Te Waha o Tāne. Workforce Development Plan for Above-the-Line Screen Industry Workforce 2024

# 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 Ministry for Culture and Heritage.

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.



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

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



## Output 1: Vote Arts, Culture and Heritage

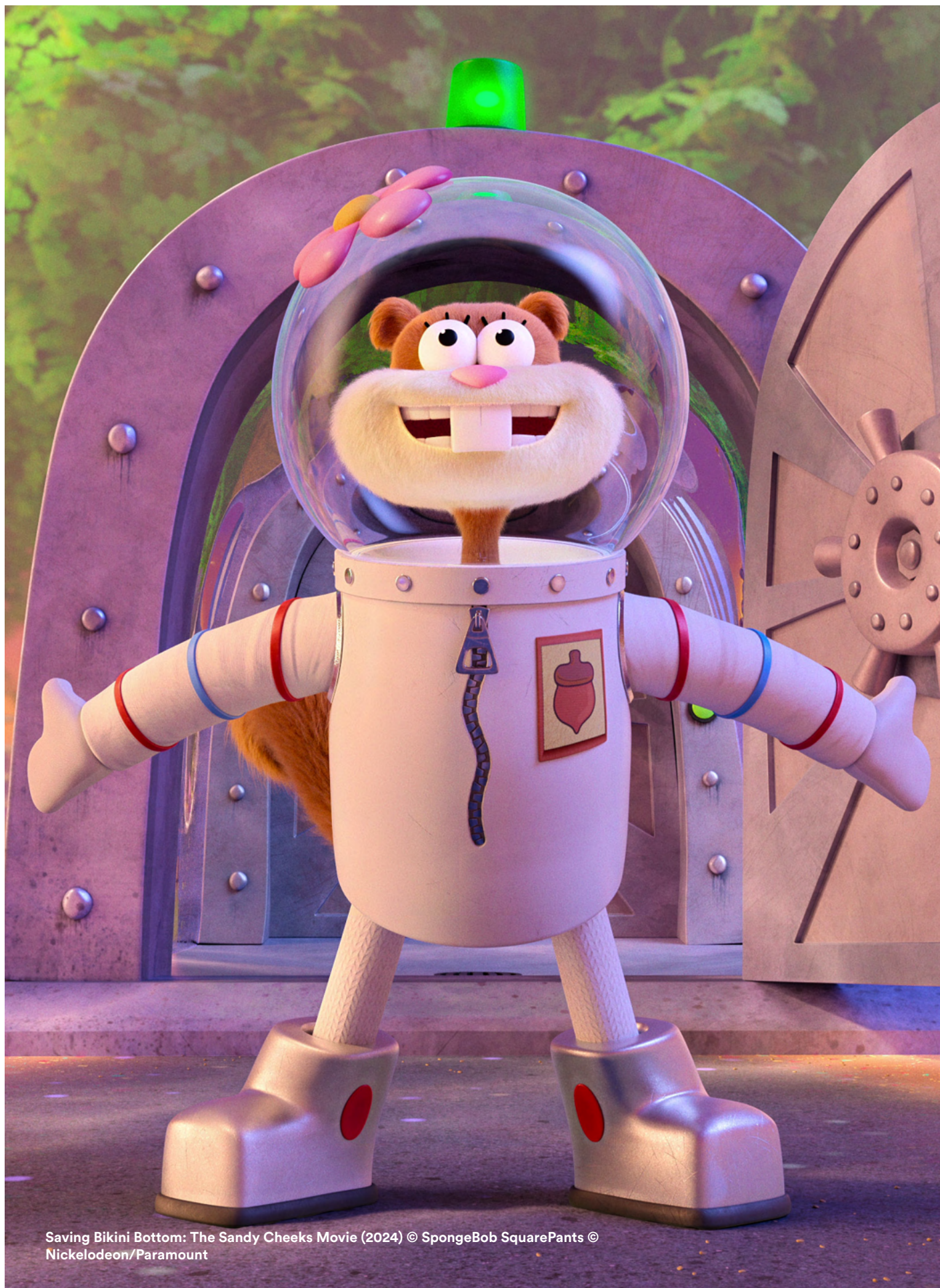
	Budget FY25/26 \$	Budget FY24/25 \$	Forecast FY24/25 \$	Actual YTD May 25 \$	Actual FY23/24 \$
<b>A. Revenue</b>					
Crown revenue – MCH	5,196	5,196	5,196	5,892	5,892
Crown revenue – MCH Covid Recovery Funds	-	-	-	-	-
Lotteries Grant Board	22,875	22,875	25,970	24,064	24,064
Other revenue	2,200	2,896	3,024	2,957	2,957
<b>Total Revenue</b>	<b>30,271</b>	<b>30,967</b>	<b>34,191</b>	<b>32,913</b>	<b>32,913</b>
<b>B. Output Expenses</b>					
Funding - Productions	23,182	20,966	17,641	15,910	10,278
Funding - People & Guilds	5,185	3,895	4,616	3,823	2,265
Film Promotion and Marketing Support	3,057	1,350	1,271	1,501	1,200
Co-Production (International Relations)	110	265	20	1	1
NZ Screen Production Rebate (Domestic)	292	343	408	308	327
<b>Total Funding Expenditure</b>	<b>31,826</b>	<b>26,818</b>	<b>23,956</b>	<b>21,544</b>	<b>14,072</b>
Personnel	4,284	4,773	4,859	3,777	5,258
Corporate overheads	2,866	3,173	2,131	1,975	2,123
<b>Total Output 1 Expenses</b>	<b>38,975</b>	<b>34,764</b>	<b>30,947</b>	<b>27,296</b>	<b>21,453</b>

The NZFC estimates Domestic qualifying expenditure will exceed \$100 million, resulting in \$40 million in rebates paid out to productions in FY25/26

## Output 2: Vote Business, Science and Innovation

	Budget FY25/26 \$	Budget FY24/25 \$	Forecast FY24/25 \$	Actual YTD May 25 \$	Actual FY23/24 \$
<b>A. Revenue</b>					
Crown revenue – MBIE	1,300	1,300	1,300	1,300	1,300
<b>Total Revenue</b>	<b>1,300</b>	<b>1,300</b>	<b>1,300</b>	<b>1,300</b>	<b>1,300</b>
<b>B. Output Expenses</b>					
Int. screen business attraction	360	356	329	329	253
Int. screen promotion	135	68	83	83	71
Int. screen Incentive administration	185	281	50	50	119
<b>Total Funding Expenditure</b>	<b>680</b>	<b>705</b>	<b>462</b>	<b>462</b>	<b>442</b>
Personnel	723	725	746	746	719
Corporate overheads	250	219	234	234	222
<b>Total Output 2 Expenses</b>	<b>1,653</b>	<b>1,649</b>	<b>1,442</b>	<b>1,442</b>	<b>1,384</b>

The NZFC estimates International qualifying expenditure will exceed \$600 million resulting in \$120 million in rebates (excluding 5% Uplift) paid out to productions in FY25/26



Saving Bikini Bottom: The Sandy Cheeks Movie (2024) © SpongeBob SquarePants © Nickelodeon/Paramount

# Performance Assessment

## Aromatawai Whakatutukinga Mahi

### 1. BUILD CONSISTENT CREATIVE AND COMMERCIAL EXCELLENCE IN FILMMAKING: OUTPUT 1

Measure	Actual 2023/24	Target 2024/25	Target 2025/26
1a. Number of NZFC-funded feature and short films that are selected for premiere film festivals <sup>2</sup>	15	10	10
1b. Number of feature film directors who have had more than one NZFC-financed feature film screened at a premiere film festival (in the 7-years ending 30 June 2026)	5	6	6
1c. Number of awards NZFC-funded feature and short films have won at domestic and international film festivals	New measure	New measure	Benchmark
1d. Percentage of feature films that receive NZFC production funding over a three-year period (ending 30 June 2026) with a writer or director attached who have previously made an NZFC feature film <sup>3</sup>	New measure	New measure	Benchmark
1e. Percentage of NZFC-funded feature films over a three-year period (ending 30 June 2026) that have achieved sales income of more than 50% of their NZFC investment	New measure	New measure	20%

### 2. EMPOWER AND CHAMPION AUTHENTIC AND DIVERSE FILMS THAT ARE UNIQUELY OF AOTEAROA AND MAXIMISE AUDIENCES FOR NEW ZEALAND FILMS: OUTPUT 1

Measure	Actual 2023/24	Target 2024/25	Target 2025/26
2a. 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)	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) <sup>4</sup>	251,386	200,000	200,000
2c. Number of short films and feature films in te reo Māori receiving NZFC development or production funding <sup>5</sup>	6	2	2
2d. Percentage of NZFC-financed feature films that are culturally significant (over a three-year time frame) <sup>6</sup>	88%	80%	80%
2e. Number of NZFC-funded feature films to screen in the New Zealand International Film Festival or Doc Edge Film Festival	9	10	10
2f. Percentage of New Zealanders who agree that New Zealand screen stories are important <sup>7</sup>	93%	90%	90%
2g. Percentage of New Zealanders who have seen a New Zealand film in the last 12 months <sup>8</sup>	46%	55%	55%
2h. Number of NZFC-funded films released in the last five years that secured more than 100,000 viewers on New Zealand television or digital platforms in the financial year	N/A	New Measure	Benchmark

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

3 Definition of 'made' means credited on a feature film funded by the NZFC as a writer or director.

4 This measure has fluctuated over the past four years due to COVID-19 and the impact on cinemas. Due to changing cinema habits, we are reducing this target to our pre-COVID target of 200,000.

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

6 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.

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

8 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?"



### 3. COLLABORATE STRATEGICALLY TO PROMOTE EMPLOYMENT AND PRODUCTIVITY IN THE NEW ZEALAND FILM INDUSTRY: OUTPUT 1 & 2

Measure	Actual 2023/24	Target 2024/25	Target 2025/26
3a. Percentage of New Zealand cast employed on international productions receiving the NZSPR	New measure	60%	60%
3b. Percentage of New Zealand crew employed on international productions receiving the NZSPR	New measure	90%	90%
3c. Number of enquiries for prospective productions serviced within the financial year <sup>9</sup>	83	30	44
3d. Number of co-production focused engagements with foreign and New Zealand screen industry professionals <sup>10</sup>	New Measure	New Measure	Benchmark
3e. Number of international productions starting principal photography within the financial year	13	8	8
3f. Number of international screen productions submitting new registrations for the NZSPR <sup>11</sup>	43	18	18
3g. Number of New Zealand productions supported by the NZSPR – New Zealand	New measure	New measure	17

<sup>9</sup> 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 \$1.3M.

<sup>10</sup> 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.

<sup>11</sup> This measure is specifically in relation to the MBIE appropriation of \$1.3M. This measure includes both live action and PDV.

#### 4. INVEST IN TALENT BY SUPPORTING CAPABILITY DEVELOPMENT WITH DIVERSITY, EQUITY AND INCLUSION AT ITS CORE: OUTPUT 1

Measure	Actual 2023/24	Target 2024/25	Target 2025/26
4a. Percentage of feature films produced with NZFC development support (direct or devolved) <sup>12</sup>	New Measure	Benchmark	75%
4b. Percentage of short films and feature films that receive NZFC production funding with a woman or gender-diverse director attached	63%	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 <sup>13</sup>	36%	20%	25%
4d. Percentage of practitioners who identify as Māori, supported through contestable talent development initiatives delivered or funded by the NZFC <sup>14</sup>	New Measure	New Measure	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 two years <sup>15</sup>	New measure	New Measure	Benchmark

#### ORGANISATIONAL HEALTH & CAPABILITY

Measure	Actual 2023/24	Target 2024/25	Target 2025/26
Annual Staff engagement survey – performance index	N/A	68%	68%
All staff are offered learning in te reo Māori and/or tikanga Māori	New Measure	Achieve	Achieve
NZFC staff agree that people from all backgrounds and cultures feel included, welcomed and valued in the organisation <sup>16</sup>	New measure	90%	90%

12 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.

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

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

15 Key creatives include writers, directors and producers

16 Calculated from an annual survey conducted with staff.

# 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 2026 in accordance with section 149G of the Crown Entities Act 2004.

### Prospective Statement of Financial Performance

	Budget FY25/26 \$	Budget FY24/25 \$	Forecast FY24/25 \$	Actual YTD May 25 \$	Actual FY23/24 \$
<b>Revenue</b>					
Crown revenue – MCH	5,196	5,196	5,196	5,892	3,395
Crown revenue – MBIE	1,300	1,300	1,300	-	1,300
Lottery Grants Board grant	22,875	22,875	25,970	24,064	21,498
Film income and sales commission	890	1,175	1,259	1,196	1,452
Interest received and other income	1,310	1,721	1,775	1,770	2,533
<b>Total revenue</b>	<b>31,571</b>	<b>32,267</b>	<b>35,500</b>	<b>32,922</b>	<b>30,178</b>
<b>Expenditure</b>					
Funding - Productions	23,182	20,966	17,641	15,910	10,278
Funding - People & Guilds	5,185	3,895	4,616	3,823	2,265
Film Promotion and Marketing Support	3,057	1,350	1,271	1,501	1,200
Co-Production (International Relations)	110	265	20	1	1
NZ Screen Production Rebate	1,945	1,992	1,850	1,751	1,711
Corporate & Governance	3,116	3,173	2,131	1,975	2,123
Personnel costs	5,007	4,773	4,859	3,777	5,258
<b>Total expenditure</b>	<b>41,602</b>	<b>36,413</b>	<b>32,389</b>	<b>28,738</b>	<b>22,837</b>
<b>Net Surplus/(Deficit)</b>	<b>(10,031)</b>	<b>(4,146)</b>	<b>3,111</b>	<b>4,185</b>	<b>7,341</b>

## Prospective Statement of Financial Position

	Budget FY25/26 \$	Budget FY24/25 \$	Forecast FY24/25 \$	Actual YTD May 25 \$	Actual FY23/24 \$
<b>Equity</b>	(10,031)	(4,146)	3,111	4,185	7,341
Accumulated Funds	23,240	15,319	20,129	20,129	12,786
<b>Total Equity</b>	<b>13,209</b>	<b>11,173</b>	<b>23,240</b>	<b>24,314</b>	<b>20,127</b>
<i>Represented by:</i>					
<b>Current Assets</b>					
Cash and cash equivalents	3,162	3,002	3,990	9,505	3,016
Term deposits	21,800	27,000	31,000	31,000	31,209
Accounts receivable	4,200	4,200	4,200	5,256	7,734
	<b>29,162</b>	<b>34,202</b>	<b>39,190</b>	<b>45,761</b>	<b>41,959</b>
<b>Non Current Assets</b>					
Fixed assets	1,021	1,021	730	627	483
<b>Total Assets</b>	<b>30,183</b>	<b>35,223</b>	<b>39,920</b>	<b>46,388</b>	<b>42,442</b>
<b>Current Liabilities</b>					
Accounts payable	3,000	3,000	2,962	6,832	5,652
Employee entitlements	200	200	180	196	274
Film income account	851	850	1,100	2,269	393
Project commitments	12,923	20,000	12,437	12,776	15,995
	<b>16,974</b>	<b>24,050</b>	<b>16,679</b>	<b>22,073</b>	<b>22,314</b>
<b>Net Assets</b>	<b>13,209</b>	<b>11,173</b>	<b>23,240</b>	<b>24,314</b>	<b>20,127</b>
Net Working Capital	12,188	10,152	22,511	23,688	19,645
Current Ratio	1.72	1.42	2.35	2.07	1.88
Cash Ratio	1.47	1.25	2.10	1.84	1.53



## Prospective Statement of Cash Flows

	Budget FY25/26 \$	Budget FY24/25 \$	Forecast FY24/25 \$	Actual YTD May 25 \$	Actual FY23/24 \$
<b>Cash flows from operating activities</b>					
Receipts from the Crown and other revenue	29,371	32,067	29,725	36,110	28,090
Interest received	1,310	1,721	1,775	1,770	2,155
Production funding, marketing, industry support, suppliers and employees	(36,739)	(36,730)	(33,849)	(34,714)	(40,807)
Goods and services tax (net)	-	-	-	-	(272)
<b>Net cash from operating activities</b>	<b>(6,058)</b>	<b>(2,942)</b>	<b>(2,349)</b>	<b>3,166</b>	<b>(10,834)</b>
<b>Cash flows from investing activities</b>					
Sale of investments	40,000	36,000	34,000	34,000	67,000
Purchase of investments	(34,000)	(32,000)	(30,000)	(30,000)	(57,209)
Purchase of property, plant and equipment	(770)	(474)	(677)	(677)	5
Sale of property, plant and equipment	-	-	-	-	(347)
Purchase of intangible assets	-	-	-	-	(10)
<b>Net cash from investing activities</b>	<b>5,230</b>	<b>3,526</b>	<b>3,323</b>	<b>3,323</b>	<b>9,439</b>
<b>Cash flows from financing activities</b>	-	-	-	-	-
<b>Net increase/(decrease) in cash at bank</b>	<b>(828)</b>	<b>584</b>	<b>974</b>	<b>6,489</b>	<b>(1,395)</b>
Opening cash at bank	3,990	2,418	3,016	3,016	4,411
<b>Closing cash at bank</b>	<b>3,162</b>	<b>3,002</b>	<b>3,990</b>	<b>9,505</b>	<b>3,016</b>



Elijah Wood and Nell Fisher in *Bookworm* (2024) © Firefly Films

# Notes to Prospective Statements of Account

## FINANCIAL PLANNING ASSUMPTIONS

In the prospective financial statements for the year ending 30 June 2026 we have assumed that:

- Our core business to encourage and participate and assist in the making, promotion and exhibition of films will remain unchanged.
- We will continue to take commercial recoupment positions in most of the films we invest in.
- Film income estimated as \$0.890M and interest received estimated as \$1.31M.

Changes between years represent

- Reduced revenue from film income as prior years included one-off, rights buy backs
- Reduce 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 2025 will result in a deficit position funding from cash reserves.

The NZFC will run a deficit position of \$10.9M for the year ending 30 June 2026 also funded from the build up of cash reserves; a result of past writebacks, additional funds from the Lotteries Grant Board and one off sales of film rights.

## 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 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. These are either equity investments, or as non-recoupable grants. Non-recoupable grants are recognised at the time the condition of the grant is met and money becomes exchangeable.

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.



A Minecraft Movie. © (2025) Warner Bros. Entertainment Inc



