

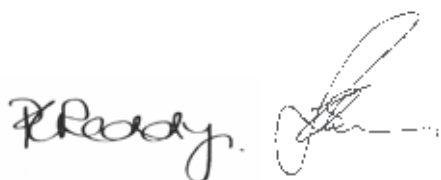


NZ Film Commission Annual Report 2009

Report of the New Zealand Film Commission

for the year ended 30 June 2009

In accordance with Sections 150 to 157 of the Crown Entities Act 2004, on behalf of the New Zealand Film Commission we present the Annual Report covering the activities of the NZFC for the 12 months ended 30 June, 2009.



Patsy Reddy
Chair

Bill Birnie
Deputy Chairman



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Highlights

 The NZFC committed production financing to 7 new feature films and 9 short films during the financial year. It also supported the completion of 9 digital features.


 The NZFC provided strategic, logistical and financial support in the form of prints and advertising grants for the six new features with NZFC investment released in New Zealand cinemas during the year.


 *Second-Hand Wedding* continued its successful domestic cinematic run into the 08/09 year and became the most popular New Zealand feature of 2008. After 36 weeks it had attracted more than 188,000 people with a box office of more than \$1.91M.


 The most popular new domestic cinematic release in the period, *The Topp Twins: Untouchable Girls*, attracted an audience of 177,000, making a total of seven NZFC-financed features in the last four years with cinema audiences of more than 100,000. It is the highest grossing documentary feature ever to screen theatrically in New Zealand.

 Box office hit *Sione's Wedding* was the most viewed NZ feature film broadcast for the period. The film had a prime time Friday night screening in December on TV3 and attracted an audience of 300,450.


 The NZFC completed digitisation of 31 of the 65 New Zealand features ear-marked for archival restoration and digitization over the next two financial years. Nine of these titles were subsequently released as part of Screenline's NZ Cinema Collection.


 NZFC staff set up a YouTube channel to house one minute clips of the latest NZFC short films.

 Maori Television licensed 56 NZFC financed short films for the television series *Iti Pounamu*.

 44 NZFC short films were licensed to NZONSCREEN for streaming on their website.


 The NZFC organised screenings of New Zealand feature films at 65 international film festivals (previous year 55) and screenings of New Zealand short films in 120 festivals (114 previous year).


 The 2008 Toronto International Film Festival in September featured the world premiere screening of *Dean Spanley* and the North American premiere of *Apron Strings*.

 *The Strength of Water* screened in competition in the VPRO Tiger Awards at the Rotterdam Film festival. The film was also selected for the Generation selection of the Berlin Film Festival.

 NZ Film organized New Zealand's 30th consecutive participation at the Cannes Film Festival with a high-profile sales and marketing office. Twenty-four New Zealand filmmakers and two New Zealand distributors were based in the NZ Film office.

 The NZFC financed short film *The Six Dollar Fifty Man* had its world premiere at the 2009 Cannes Film Festival, winning the 'Special Distinction' award.

 NZFC continued to provide administrative services for the Government's Large Budget Screen Production Grant Scheme. During the year a total of nine grants were approved.

 NZFC took on the responsibility of administrator for the Government's new Screen Production Incentive Fund (SPIF) in its inaugural year. A sub-committee of the NZFC was established to consider applications. It met 8 times in the period.



Chair's Introduction

Patsy Reddy, October 2009

I am pleased to introduce this annual report which marks a year of increased activity by the New Zealand Film Commission and continued success for New Zealand films at the local box office.

The period is bracketed by two of our most popular recent films: at the beginning, *Second Hand Wedding*, which carried over its success from the previous financial year to finish with nearly 190,000 theatrical viewers and a strong DVD launch, and at the end with *The Topp Twins: Untouchable Girls* which was seen by 177,000 people and is New Zealand's most successful ever theatrical documentary.

I would like to pay tribute to the previous Chair, Dr David Cullwick and the other board members whose terms ended in June 2009: Vanessa Alexander, Wendy Palmer and Shane Simpson. David Cullwick left the organisation in good shape and, leading the other board members, strongly contributed to the growth of the past year.

As with all organisations, the NZFC needs constantly to evaluate its effectiveness in fulfilling its goals. In that regard the Board looks forward to the findings of the review currently being led by Peter Jackson and any recommendations that may come from it.

Patsy Reddy,
Chair



From the Chief Executive

Graeme Mason, October 2009

While I was only in the position of Chief Executive for a few months of the financial year covered by this report my arrival luckily coincided with the terrific debut of the Topp Twins; Untouchable Girls. That film smashed records and won the hearts of New Zealanders. In doing that it exemplified the goals of the NZFC in creating cultural capital which reflects the breadth of New Zealand talent and stories and ensuring that New Zealanders get to see their cinematic stories on screen.

That film's performance was a fitting wrap up to the NZFC's 30th anniversary year. The year saw numerous developments not least the introduction of the Screen Production Incentive Fund (SPIF) which changed the dynamics of financing New Zealand films and which has already been used successfully by several producers to get new projects into production. It also involved the NZFC, as administrator of the SPIF, in implementing new processes and forming new investment guidelines for NZFC co-investment in SPIF funded films.

In its ongoing review of effectiveness the NZFC implemented an independent review of its sales and marketing activities. At the time of writing the Ministerial review of the NZFC, led by Peter Jackson and David Court has yet to report. We are looking forward to this. After 30 years it is fitting that the NZFC be evaluated and it's important that the wide range of stakeholders who have been consulted are heard in this process.

Yet while these are notable, the core work of the NZFC in financing and promoting New Zealand films continued.

Seven productions were offered financing totalling \$12 million resulting in \$27 million of production spend. Six new films were released in cinemas around the country. Four more features have appeared since the end of the financial year under review and a further five films which were in production during the 08/09 financial year will be released in 2010. Further financing offers are out to six projects many of which will soon be in production.

Finally, I want to pay tribute to the Deputy Chief Executive, Mladen Ivancic, and the staff who helped achieve many of these results in the six month period between the departure of the previous CEO Dr Ruth Harley and my arrival. They and I look forward to continuing the Commission's work with the whole film industry.

Graeme Mason,
Chief Executive

Goal 1

To create significant cultural capital with quality New Zealand films

NZFC's most important goal is maintaining the momentum of culturally specific quality feature film production for New Zealand audiences. To ensure at least 4 feature films are produced each year, the NZFC allocates the majority of its annual budget to feature film production.

Feature Film production

In the year under review, the NZFC committed production financing to 7 new feature films, with total expenditure of \$12,405,485 (Previous year: \$20,718,614 for 12 features). It also supported the completion of 9 digital features.

Home By Christmas

Producers: Gaylene Preston, Sue Rogers, Doublehead Films Ltd

Director/Writer: Gaylene Preston

A film memoir by acclaimed director Gaylene Preston based around her father Ed Preston's war-time adventures. It stars Martin Henderson and Tony Barry.

Metropolis will be the distributor in New Zealand. The film is likely to release nationwide in April 2010.

International sales are handled by NZ Film.

After the Waterfall

Producer: Trevor Haysom, Paraffin Productions Ltd.

Director/Writer: Simone Horrocks

The NZFC made a conditional offer of majority production finance for this debut feature in December 2008. Based on the novel *The Paraffin Child* by Stephen Blanchard, the story is a drama set around the disappearance of a child in a small town. Principal photography commenced in April 2009.

Rialto will be the New Zealand distributor.

International sales are handled by NZ Film.

Predicament

Producer: Sue Rogers, Vincent Burke, Novel Productions Ltd.

Director/Writer: Jason Stutter

The NZFC committed finance in December 2008 for this film based on the Ronald Hugh Morrieson novel of the same name. Principal photography commenced in July 2009 in South Taranaki.

Rialto will be the New Zealand distributor. International sales are handled by NZ Film.

Boy (previously titled The Volcano)

Producers: Ainsley Gardner, Cliff Curtis, Emanuel Michael, The Volcano Company Ltd

Director/Writer: Taika Waititi

This is Taika Waititi's second feature film and is inspired by his Oscar nominated short film *Two Cars One Night*. Principal photography commenced on the East Cape in April 2009.

Transmission will be the New Zealand distributor.

International sales are handled by NZ Film.

Hopes & Dreams

Producer: Robin Scholes

Director: Brendan Donovan

Writers: Brendan Donovan and David Brechin-Smith

Production of this debut feature is scheduled for November 2009. It is a family drama set in the world of go-kart racing in Howick.

Rialto will be the New Zealand distributor.

International sales are handled by NZ Film.

Falling Angels

Producers: Angela Littlejohn, Rachel Gardner

Director/Writer: Scott Reynolds

The NZFC committed conditional investment towards the production of this feature in February 2009. The film is a thriller based around the seeming disappearance of an eight year old girl.

Metropolis Films will be the New Zealand distributor.

Latido Films represents the film internationally.

Brother Number One

Producers: Annie Goldson, James Bellamy, Rob Hamill

Director: Annie Goldson

The NZFC committed conditional investment for the production of this documentary feature in June 2009. The film tells the story of Olympian and trans-Atlantic rowing champion Rob Hamill's journey to Cambodia in mid-2009 to seek justice for his brother who was tortured and murdered by the regime of Pol Pot in 1978.

Gil Scrine will be the New Zealand distributor.

Post-production finance for nine digital features

The NZFC provided post-production grants to assist with the completion of nine digital features (six of them documentaries) which were selected for screening at the 2009 New Zealand Film Festivals or elsewhere.

Barry Barclay - Camera on the Shore

Director: Graeme Tuckett

Producer: Anne Keating

A documentary on the works and philosophy of New Zealand's first Maori feature film maker.

I'm Not Harry Jenson (aka The Devil's Run)

Writer/Director: James Napier Robertson

Producer: Tom Hern

A true crime novelist obsessed with his latest book and convinced he is losing his mind takes a trip to the forest to recover, but ends up with a fellow traveller dead and blood on his hands.

Lost in Wonderland

Director: Zoe McIntosh

Producer: Costa Botes

Lost in Wonderland is a documentary about cross-dressing lawyer Rob Moodie who takes on cases involving high-level injustice which threaten to crush ordinary people.

The Man in the Hat

Writer/Director: Luit Bieringa

Producer: Jan Bieringa

A documentary about Peter McLeavey, one of New Zealand's outstanding art dealers who has spent some 40 years running his gallery in the centre of Wellington.

The Map Reader

Writer/ Director: Harold Brodie

Producer: John Davies

Sixteen year old Michael escapes the realities of his small town New Zealand life by immersing himself within a world of maps. Yet his seemingly happy isolation is broken by the serendipitous arrival of two young women into his life.

No Petrol, No Diesel!

Writer/Director: Stefen Harris

Producer: John Davies

Drama about a small town on State Highway 1 where nothing ever happens, yet one of the biggest corporations in the world is determined to buy a dowdy back street gas station.

Taking the Waewae Express

Writer/Director: Andrea Bosshard, Shane Loader

Producer: Andrea Bosshard, Shane Loader, Deane Cronin

A drama about a young man whose brother dies in a car accident, following which blame and bitterness take their toll as love and loyalty are tested within his circle of friends and family.

The Third Richard

Director: Danny Mulheron & Sara Stretton

Producer: Sara Stretton

Danny Mulheron discovers the life and work of his grandfather Richard Fuchs, a composer whose work was banned by the Nazis and who fled to New Zealand, only to be interned as an enemy alien.

This Way of Life

Director: Tom Burstyn

Producer: Barbara Sumner Burstyn

A documentary set against the rugged Ruahine mountains where Peter and Colleen Karena train wild horses and hunt while raising their six children to be independent and courageous.

Maori Film Strategy

Developing Maori story telling and story tellers is fundamental to the NZFC's purpose. The NZFC welcomes the increasing number of Maori filmmakers who are building successful careers in the industry and is committed to continuing to support them. In recognition of the need to expand and develop the base of Maori filmmaking talent, the NZFC has continued to focus on initiatives which address:

- The development of Maori talent and projects
- The cultural integrity of films with Maori content
- Industry infrastructure support for Maori filmmakers.

Te Paepae Ataata

Te Paepae Ataata is a three year devolved NZFC funded initiative whose principal purpose is to nurture Maori feature film-making. Its intention is to enable the development of scripts towards production readiness. The resulting films may be modest or ambitious, but they will reflect the indigenous cinema aspirations of this country: big-screen stories that tell of the Maori experience as tangata whenua of New Zealand, and as citizens of the world.

This year two scripts selected by Te Paepae Ataata, *The Pa Boys* by Himiona Grace and *Flashes Before My Eyes* by Tamati Patuwai were the central focus of a 3-day wananga held in November at Waipapa Marae, Auckland University. Thirteen other writers (including those who had submitted a feature film script to Te Paepae Ataata but who had not been shortlisted and writers who had completed a first draft of a feature film script but had not yet submitted to the Paepae) participated in a number of workshops covering all aspects of screenwriting and being a screenwriter:

- Merata Mita from the Paepae gave an introduction to screenwriting, the roles of the screen writer, the script assessor and the producer and approaches to writing korero tuku iho/ tupuna rongonui stories (i.e. the epic stories)
- Michael Bennett presented his own personal case study of going from first to second draft with *Matariki* and how the script is still changing even at production stage
- Briar Grace-Smith discussed craft (dialogue, structure, pace, momentum, energy, character, writer tools) using visuals.
- Ngamaru Raerino and Tainui Stephens (from the Paepae) talked about epic kaupapa and tikanga.

Selected scenes from the two chosen screenplays were then shot and analysed.

Other tutors in attendance were Pita Turei, Kath Akuhata Brown, Chelsea Winstanley, Christina Milligan and Poata Eruera. In addition to Merata Mita and Tainui Stephens the Paepae was represented by Ainsley Gardiner, Tearepa Kahi and Renee Mark (administrator). In all workshops and discussions the aim was to encourage uniquely personal films that remain viable and marketable to an international audience.

Nga Aho Whakaari

The NZFC continues to help fund the activities of Nga Aho Whakaari .

Wairoa Maori Film Festival

The NZFC was the sponsor of this festival held in May 2009.

NZFC support for Maori writers and/or directors in 2008/9

Production funding:

- *Boy* (aka *The Volcano*) – writer/director Taika Waititi

Development funding:

- *Behind the Tattooed Face* – writer Rena Owen
- *Boy* (aka *The Volcano*) – writer/director Taika Waititi
- *Cousins* – writer Patricia Grace
- *A Gift to Zion* – writer/director Tearepa Kahi
- *Hell for Breakfast* – writer Briar Grace-Smith
- *Land of Tears* – writer/director Taika Waititi
- *Marshal* – writer Glenn Standring
- *This Little Light* – writer/director Paula Whetu Jones

Project-based workshop attendance

- IndiVision: Tearepa Kahi w/d *A Gift to Zion*
- Women in the Director's Chair: Paula Whetu Jones w/d *This Little Light*
- Rewrite Workshop: Rob Mokoraka co-writer *Strange Resting Places*
- First Writers Initiative: Kylie Meehan, Tim Worrall
- eQuinox script workshop (Munich): Tim Worrall (Piki Whara)
- Binger Filmlab: Gregory King

Post-production funding

- *No Petrol, No Diesel!* – w/d Stefen Harris

NZFC support for Maori producers in 2008/9

Production funding

- *Boy* (aka *The Volcano*) – producers Ainsley Gardiner and Cliff Curtis

Development funding

- *Behind the Tattooed Face* – producer Rena Owen
- *Boy* (aka *The Volcano*) – producers Ainsley Gardiner & Cliff Curtis
- *Cousins* – producer Rhonda Kite
- *The Fox Boy* – producer Cliff Curtis
- *A Gift to Zion* – producer Quinton Hita
- *Moana* – producers Cliff Curtis, Merata Mita, Kara Paewai

Project-based workshop attendance

- Rewrite workshop: Cliff Curtis, Merata Mita, Kara Paewai producers *Moana* (NB these producers did not attend the workshop in person)
- IndiVision: Quinton Hita producer *A Gift to Zion*

Short films with NZFC finance with Maori key creatives

Hitched – director Katie Wolfe

The Medal – writer Simon Paniora, director James Barr

The Winter Boy – writer Kylie Meehan, director Rachel House, producer Hineani Melbourne

Bird - director Jane Shearer

Short Film Fund with Maori Executive Producers

Kura Shorts - Quinton Hita, Tearepa Kahi (focused on developing and supporting Maori personnel in key roles, especially those of writer, director, and producer).

Short films with Maori key creatives awarded NZFC Post-Production Finance

Kehua - director/writer, Wiremu Grace, producer Libby Hakaraia

Mokopuna - director/writer Ainsley Gardiner

SIPF projects with key creatives identifying themselves as Maori

Ngatahi Know the Links Part Six - Dean Hapeta

Rua - Garth Watene (Whairoa Productions)

Notes from a Harmonious Life - Rangimoana Taylor (Community Media Trust)

GOAL 2/ To build a talent pathway

In order to nurture and support the creative teams and individuals on which the NZ film industry depends, the NZFC continued to invest in short films, feature films in development, professional development and initiatives aimed at developing and supporting Maori filmmakers.

Feature Film Development

In the year under review three companies were supported by a Devolved Development Fund. Three producers made successful applications for Producer Overhead Funds (POF) and another two were offered a one year extension to an existing POF. Two writers were offered a Writer Award.

The Staff Committee under the Chief Executive's delegated authority made 41 commitments for early development finance from a total of 64 applications. The total commitment in this first tier category was \$643,802. In the previous year, early development for 38 projects was approved from a total of 46 applications with a commitment of \$725,500.

Seven additional development commitments totaling \$80,129 were provided by Chief Executive delegation. In the previous year there were twelve delegated commitments at a cost of \$168,000.

Development Committee approved funding for 14 projects from a total of 18 applications. The total for this second-tier finance was \$366,632. In the previous year the committee provided funding for 12 projects from a total of 17 applications at a cost of \$294,567.

The Board made six offers of advanced development finance with a total cost of \$197,260, in comparison with seven offers at a cost of \$373,320 in the previous year.

Professional Development Initiatives

(Additional training initiatives were run by organizations supported by the NZFC and these are listed under Goal 5)

Eurista Tasmania – July

NZFC assisted two producer/writer teams to attend a residential script analysis workshop designed and run by international development company Eurista in association with Screen Tasmania. The chosen teams were David White and Shane Mannell with *Crime Story* and Rhys Cain and Scott Boswell with *Death or Milton*.

Accelerator, Melbourne – July

The NZFC continued its support for this development programme for short filmmakers whose films have been selected for screening at the Melbourne Film Festival. Michelle Savill with *Betty Banned Sweets*, Katie Wolfe with *This Is Her* and Leo Woodhead with *Cargo* took part with NZFC assistance.

1st Writers Initiative – September

Six writers who have not previously received NZFC funding were selected to participate in this annual feature film script development workshop organized by the NZFC in Wellington. The workshop was led by Australian script consultant Claire Dobbin and the other tutors were Michael Bennett, Christina Milligan and Caroline Grose. Guest speakers were Riwia Brown, Dave Gibson, Briar Grace-Smith, Tearepa Kahi and John Reid.

No Borders, New York – September

This partnership offers New Zealand producers an opportunity to participate in the annual market organized by the Independent Feature Project in New York. The New Zealand projects selected to attend with NZFC support were *Belinda's Notes* (producer Michele Fantl, writer/director Dorthe Scheffman) and *The Most Fun You Can Have Dying* (producer Alex Cole-Baker, writer/director Kirstin Marcon).

Binger Film Lab – September/March

New Zealand writer/director Gregory King took part in a five-month script development programme at the Maurits Binger Film Institute in Amsterdam.

eQuinox, Germany – October

eQuinox, a long running European script workshop, partnered with NZFC to offer a place to New Zealand writer Tim Worrall. He attended the workshop in Bavaria with his project *Piki Whara*.

Smashing the Window - Distribution Seminar – October

NZFC invited both local and international guests to give the local industry an insight into strategies that are emerging to deal with the challenges confronting the traditional distribution model. International speakers included Brian Chirls (US), Andy Freedman (UK) and Jason Janego (US).

SPAAmart, Australia – November

The NZFC continued its partnership in this event that enables up to three New Zealand producer/director teams to present their projects to international distributors and buyers. The NZ participants this year were: Leanne Saunders with *Amatu*, Arani Cuthbert and Chris Dudman with *One of Us* and James Heyward with *Capsized*.

Te Paepae Ataata Writers' Hui – November

The NZFC supported a writers' hui, held in Auckland, which focussed on two scripts selected for development, with additional script workshops to identify and nurture writers of scripts that may be eligible for support from Te Paepae Ataata in 2009.

IndiVision – November

This is a development initiative for low budget feature films conducted by Screen Australia. NZFC assisted Tearepa Kahi and Quinton Hita to attend with their project *A Gift to Zion*.

Women in the Director's Chair – December/January

This Canadian programme offered the opportunity for a New Zealand woman director with a feature film in development to attend two residential workshops in Banff, Canada. NZFC assisted Paula Whetu Jones to attend with her feature project *This Little Light*.

CineMart & Rotterdam Lab – January

A partnership with CineMart enables a project to participate in this financing market in Rotterdam and assists three producers to attend the Rotterdam Lab. The project *Boy* (aka *The Volcano*) was selected by CineMart and producer Cliff Curtis received assistance to attend. The three Lab participants were Catherine Fitzgerald, Robin Murphy and Matt Noonan.

Berlin Talent Campus – February

The NZFC assisted with the costs of travel to enable two New Zealanders – producer Vicky Pope and composer Steven Gallagher – to participate in this course for emerging filmmakers, which is part of the Berlin International Film Festival.

Wowing the Buyers – Distribution Seminar - March

Following on from *Smashing the Window*, this second NZFC-run distribution seminar focussed on how to position a film to achieve buyer interest in overseas territories. Participating speakers were Gordon Adam (Metropolis/NZ agent for Hopscotch), James Brown (Head of Acquisitions, Metrodome UK), Carl Hampe (independent producer and film consultant, LA), Jane Schoettle (senior international programmer and selector, Toronto International Film Festival) and Ray Strache (Vice President of Acquisitions, Twentieth Century Fox, LA).

ACE – March

NZFC participation in ACE (Atelier du Cinéma Européen), a European Producers' Network, became possible after the funding guidelines of the MEDIA arm of the EU changed to allow the inclusion of non-EC participants. Philippa Campbell was selected to attend ACE's week long project development workshop with *Heavenly Choir*.

Rewrite Workshop – April

This annual NZFC-funded workshop, led by Claire Dobbin, took place in Auckland in April. The other tutors were British scriptwriter Rob Ritchie, American scriptwriter Wendall Thomas and New Zealand producer Philippa Campbell. The workshop is for four teams working on projects in advanced development, and for the first time Screen Australia partnered to send a producer/writer team. The three NZ teams were Catherine Fitzgerald & Gillian Ashurst (*Almost A Million*), Nik Beachman & Sima Urale (*Moana*), Fraser Brown, Rob Mokokaka & Paolo Rotondo (*Strange Resting Places*).

Rob Ritchie 'Writing for the Big Screen' – April

Following the popularity of this workshop when it was held in Wellington in 2008, the NZFC contracted Rob Ritchie to repeat it this year in Auckland. The workshop is aimed at those who have written in other dramatic media, particularly theatre. Fifteen people participated in the workshop.

Short Film Production

The NZFC committed finance for the production of nine short films. The films were commissioned from more than 300 proposals by three groups of executive producers, to whom the NZFC delegated the process of selecting short film projects. Details of the commissioning groups and the nine short films are in the Appendix on page 54.

In June 2009, the NZFC extended the contracts for the three 2008/2009 short film executive producer groups for a second year (2009/2010):

Big Shorts (Vicky Pope and Robert Sarkies), Kura Shorts (Quinton Hita and Tearepa Kahii) and Robber's Dog Shorts (Mark Foster, Adam Stevens, Kristian Eek).

The NZFC continued to support the Screen Innovation Production Fund (SIPF), a partnership with Creative New Zealand which is designed to support a range of moving image projects with an emphasis on innovation, uniqueness and emerging talent. A total of 33 project grants were made by the Fund, to which the NZFC contributed \$350,000 and Creative New Zealand \$250,000. The grants are listed in the Appendix on page 55.

After a review of the fund which took place in 2008, the NZFC and Creative New Zealand changed the name of SIPP to the Independent Filmmaker's Fund (IFF), and increased the \$25,000 funding cap. Senior filmmakers became eligible to apply for a higher level of funding with a cap of \$70,000, with emerging artists eligible to apply for grants of up to \$30,000.

Part of the target of producing nine short films is for 40% of short films to achieve selection in an A-list Film Festival including the New Zealand International Film Festival. Following this is an account of local presentation of shorts. International festival performance is listed under Goal 4 (Page 20).

Domestic Festivals

New Zealand International Film Festival

Nine short films financed by the NZFC were selected for the Homegrown programme in the 2008 New Zealand International Film Festivals. Eight were funded by the Short Film Fund and *Cargo* was funded via the Post Production Fund: *This Is Her* (writer Kate McDermott, director Katie Wolfe, producers Rachel Lorimer and Felicity Letcher), *Patu Ihu* (writer Warren Beazley, director Summer Agnew, producer Angela Littlejohn), *Coffee & Allah* (writer/producer Shuchi Kothari, director Sima Urale, producer Sarina Pearson), *Take 3* (writer/director Roseanne Liang, producer Owen Hughes), *The Road Out of Town* (writer/directors Adam Luxton and Jeremy Dumble, producer Richard Collins), *The Graffiti of Mr Tupaia* (writer Paul Stanley Ward, director Christopher Dudman, producer Vicky Pope), *Aphrodite's Farm* (writers Pete Force and Adam Strange, director Adam Strange, producer Anzak Tindall), *Bridge* (writer/director Jochen Fitzherbert, producers Zane Holmes, Ashley Stuart Coupland) and *Cargo* (writer/director Leo Woodhead, producer Vanessa Alexander).

Four shorts screened before feature films in the festivals: *Noise Control*, *Take 3*, *Cargo* and *Journey To Ihipa* (writer Vicki-Anne Heikell, director Nancy Brunning, producer Makerita Urale).

The NZFC-financed *This Is Her* (writer Kate McDermott, director Katie Wolfe, producers Rachel Lorimer and Felicity Letcher) won the Friends of the Civic Best Short Film at the 2008 Auckland Film Festival.

Show Me Shorts

Nature's Way, *Noise Control*, *Betty Banned Sweets*, *The Trophy* and *Take 3* were selected for Show Me Shorts Film Festival 2008.

Noise Control won Best Film Award and *Take 3* won the Atlab Best Technical Contribution prize.

Magma Short Film Festival

Sixteen NZFC short films were selected for the annual Magma Short Film Festival in Rotorua. *Aphrodite's Farm*, *Patu Ihu*, *Bridge*, *This is Her*, *The Road Out of Town*, *Canaries in Colour*, *Careful with that Axe*, *Betty Banned Sweets*, *The Trophy*, *Noise Control*, *Take 3*, *The Graffiti of Mr Tupaia*, *Coffee and Allah*, *Cargo*, *Lethal Innocents*, *Clean Linen*.

This Is Her was awarded Best Film in the funded category, with *The Graffiti of Mr. Tupaia*, *Noise Control* and *Take 3* receiving a Highly Commended.

Manukau Film Festival

Seven NZFC short films were selected for the inaugural Manukau Film Festival in Auckland; *The Trophy*, *Hawaikii*, *O Tamaiti*, *Taua*, *The Speaker*, *Two Cars*, *One Night*, *The King Boys*.

Domestic Short Film Sales

Maori Television licensed 56 short films for the television series Iti Pounamu for free television rights in New Zealand. Rialto Channel licensed 10 titles for pay tv rights in New Zealand. Visual Learning licensed 11 short films for an educational dvd license in New Zealand. Huia NZ licensed three Maori short films for dvd rights for use as a Wharekura resource in New Zealand. 44 titles were licensed to NZONSCREEN for streaming in their entirety from their website. The Film Shop licensed 16 short films for sale via The Film Shop website on DVD.

**GOAL 3/
To maximize the domestic profile of NZ films and the NZ public's access to them**

NZFC exists so that New Zealand cinema audiences have the opportunity to view local films. The domestic market is small, and NZFC support is necessary to ensure that local feature films are visible alongside high profile international films.

**Feature Films/
Domestic Release**

The NZFC provided strategic, logistical and financial support in the form of prints and advertising grants for the six new features with NZFC investment released in New Zealand cinemas during the year. One feature (*Second-Hand Wedding*) continued its run from the previous financial year.

The most popular new release, *The Topp Twins: Untouchable Girls*, attracted 177,000 people, making a total of seven NZFC-financed features in the last four years with cinema audiences of more than 100,000.

Second-Hand Wedding

Director: Paul Murphy
Producers: Nigel Stanford, Paul Murphy
Writers: Nick Ward, Linda Niccol
Executive Producer: Kerry Robins

Metropolis Film began the New Zealand theatrical release of this debut feature in May 2008, on 55 screens. The NZFC provided a grant to assist with the cost of prints and advertising. The film became the most popular New Zealand feature of 2008. After 36 weeks it had attracted more than 188,000 people with a box office of more than \$1.91million. The DVD release generated sales of 12,952 units by 30 June 2009.



The Topp Twins: Untouchable Girls

Director: Leanne Pooley
Producer: Arani Cuthbert

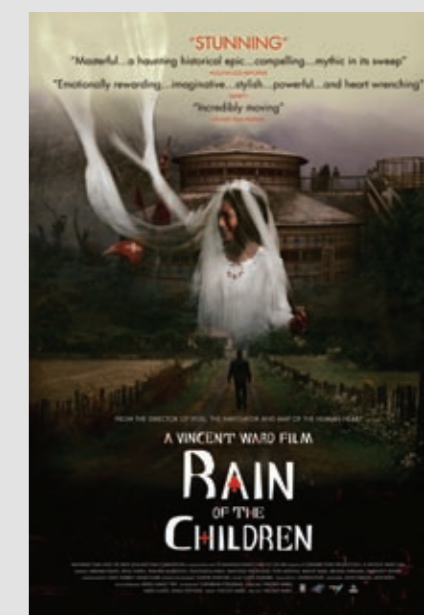
Rialto Distribution began the New Zealand theatrical release in April 2009. The release was assisted by a prints and advertising grant from the NZFC. Launched on 48 screens, the film was in the NZ box office top-ten list for the first nine weeks of its release, which was seen by 177,000 people with a box office of over \$1.8 million. It is the highest grossing documentary ever to screen theatrically in New Zealand.



Dean Spanley

Director: Toa Fraser
Producers: Matthew Metcalfe, Alan Harris
Writer: Alan Sharp

Executive Producers: Simon Fawcett, Finola Dwyer, David Parfitt, Alan Sharp
Paramount/Transmission began the New Zealand theatrical release of this feature (an official co-production between the United Kingdom and New Zealand) in February 2009 on 33 screens. With a grant from the NZFC to assist with prints and advertising costs, the film opened in fourth position in the box office charts. Its release was seen by 40,900 people with a box office of \$415,000.



Rain of the Children

Writer/Director: Vincent Ward
Producers: Vincent Ward, Marg Slater, Tainui Stephens

After receiving substantial New Zealand media coverage from its world premiere in the Sydney Film Festival, the film attracted a full house (including 300 Tuhoë) in the Civic Theatre for its New Zealand premiere at the 2008 Auckland Film Festival. The theatrical release by Rialto began in September after screenings in 14 more New Zealand film festival locations. With a grant from the NZFC to assist with prints and advertising costs, the film opened in tenth position in the box office charts. Its release was seen by 37,200 people with a box office of \$377,656. The DVD release generated sales of 1,903 units by 30 June 2009.



Apron Strings

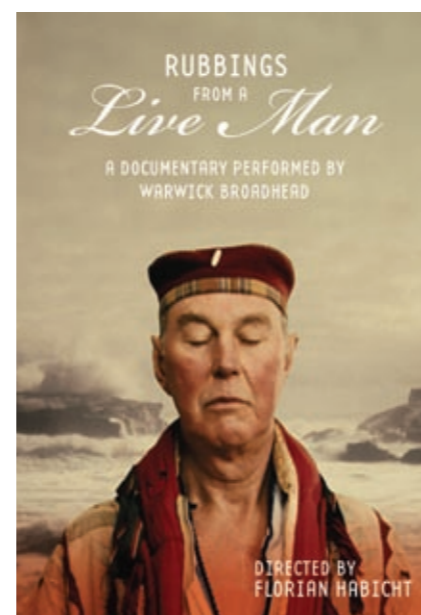
Director: Sima Urale
 Producers: Rachel Gardner, Angela Littlejohn
 Writers: Shuchi Kothari, Dianne Taylor
 Executive Producer: Trevor Haysom

This debut feature was selected for its world premiere at opening night of the 2008 Auckland Film Festival. The theatrical release by Rialto began in August after screenings in 14 more New Zealand film festival locations. Assisted by a grant from the NZFC for prints and advertising costs, the film opened in seventh position in the box office charts. Its release was seen by 25,600 people with a box office of \$259,613. The DVD has generated sales of 1,778 units by 30 June 2009.



Show of Hands

Writer/Director: Anthony McCarten
 Producers: Angela Littlejohn and Rachel Gardner
 Executive Producer: Trevor Haysom
 Rialto Distribution began the New Zealand theatrical release of this feature in November 2008 on 43 screens. With a grant from the NZFC to assist with prints and advertising costs, the film opened in ninth position in the box office charts. Its release was seen by 9,200 people with a box office of \$93,215. The DVD release has generated sales of 1,343 units by 30 June 2009.



Rubbings From A Live Man

Director: Florian Habicht
 Producer: Philippa Campbell
 This documentary feature about artist Warwick Broadhead's life was selected for its world premiere at the 2008 Auckland Film Festival. Arkles Entertainment began a small theatrical release of this feature in November. With a grant from the NZFC to assist with prints and advertising costs, the film was seen by 900 people with a box office of \$9,800.

New Zealand television broadcasts

NZ box office hit *Sione's Wedding* (director Chris Graham; writers James Griffin & Oscar Kightley; producers John Barnett, Chloe Smith) was the most viewed NZ feature film broadcast for the period. The film had a prime time Friday night screening in December on TV3 and attracted an audience of 300,450. TV3 also screened *River Queen* (director Vincent Ward, writers Vincent Ward & Toa Fraser; producers Don Reynolds (NZ), Chris Auty (UK)) in February attracting an audience of 177,650 and *Once Were Warriors* (director Lee Tamahori, screenplay Riwia Brown, producer Robin Scholes) in June to an audience of 230,070.

Two other features also screened on TV3 in late night slots. In March *Spooked* (director and screenplay Geoff Murphy, producers Geoff Murphy, Don Reynolds, Merata Mita, Geoff Dixon) broadcast to an audience of 80,020 and in July *For Good* (director and screenplay Stuart McKenzie, producer Neil Pardington) broadcast to an audience of 60,430.

On Christmas Day, TVNZ screened both *Whale Rider* (Writer/Director Niki Caro; Producers Tim Sanders, John Barnett, Frank Hubner) to an audience of 217,200 and *The World's Fastest Indian* (writer/director Roger Donaldson, producers Gary Hannam, Roger Donaldson) to an audience of 152,240.

TVNZ broadcast two other features in late-night slots in May: *Perfect Strangers* (director and screenplay Gaylene Preston, producers Robin Laing, Gaylene Preston) attracted an audience of 91,910; and *Rain* (director and screenplay Christine Jeffs, producer Philippa Campbell) attracted an audience of 27,630.

Three New Zealand features broadcast over a four-month period by Maori Television attracted a total audience of 33,900 with the most popular title being the 1993 feature *Desperate Remedies* (directors and writers Peter Wells, Stewart Main, producer James Wallace, associate producer Trishia Downie) which was viewed by more than 16,000 people.

Digitisation

The NZFC completed digitisation of 31 of the 65 New Zealand features ear-marked for archival restoration and digitization over the next two financial years. Nine of these titles were subsequently released as part of Screenline's NZ Cinema Collection.

Short Film Web Presence

44 titles were licensed to NZONSCREEN for streaming in their entirety from their website. The films were: *About Face series: A Fitting Tribute, Danny and Raewyn, Jewel's Darl, Lamb of God, My First Suit, Return Journey, Universal Drive; Bitch, Decaff, Delf, DSB, E Tipu E Rea Series: Eel, Roimata, Te Moemoea/The Dream, Thunderbox, Variations on a Theme; Egg and Bomb, Ends Meet, Footage (aka Fetish), Forgotten Silver (clips only), Home Movie, Mananui, The Murder House, Olives, O Tamaiti, Permanent Wave, Peter Peryer Portrait of a Photographer, Plain Tastes, Planet Man, Playing Possum, Prickle, Shoes, Signing Off, Snap, Sure To Rise, Te Po Uriuri/The Enveloping Night, The Baker's Brother, The Grocer's Apprentice, The Mighty Civic, The Minute, The Singing Trophy, The Summer the Queen Came, The Wall, Walk Short.*

NZFC staff set up a YouTube channel to house one-minute clips of the latest NZFC short films.

GOAL 4/

To maintain a high international profile for New Zealand films and filmmakers

A strong international profile for New Zealand films and filmmakers is important to the NZFC, both in terms of achieving the best possible financial returns for the investors in our films, and to ensure that new film projects participate effectively in the global financing market. The wider local feature film industry has lacked effective “route to market” opportunities.

The NZFC has identified this as a weakness for an industry seeking international growth and improved performance. It is a gap that the NZFC is filling through the active participation of its sales agency arm NZ Film, at major film markets and festivals.

International Marketing

Participation at six major international film events for the marketing and sales of New Zealand films was organised by the NZFC’s sales agency arm, NZ Film. The direct cost of these events was \$203,712 excluding sales costs covered by NZ Film. (Previous year \$181,702 for six events).

The NZFC organised screenings of NZ feature films at 65 international film festivals (previous year 55) and screenings of short films in 120 festivals (114 previous year). Feature film participation at international film festivals cost \$119,366 (\$101,937). Short film participation cost \$111,977 (\$98,652).

NZ Film generated income of \$3,468,948 from its feature film sales (previous year \$6,002,075) and income of \$155,472 from short film sales (\$172,513 previous year).

Commissions retained from these sales earned the NZFC \$319,706 (previous year \$820,712).

Income received from other sales agents into the NZFC’s collection account was \$518,370 (previous year \$398,078).

As a collection agent, the NZFC now administers income accounts for 150 features and 301 short films. Gross income of \$4,442,424 (previous year \$6,572,666) was received during the year.

As an investor, the NZFC’s share of income was \$1,246,379 (previous year \$2,819,578). Income distributed to other investors was \$1,224,849 (previous year \$1,895,861).

Toronto International Film Festival

The 2008 Toronto International Film Festival in September featured the world premiere screening of *Dean Spanley* and the North American premiere of *Apron Strings*. The NZFC Chief Executive and the Head of Sales and Marketing attended. The producers, directors and lead cast of the films selected also participated. NZ Film hosted a reception for 200 festival delegates.

American Film Market

NZ Film participated for the nineteenth consecutive year at the American Film Market in November. Five features were screened for international distributors: *Apron Strings*, *Dean Spanley*, *Rain of the Children*, *Second-Hand Wedding* and *Show of Hands*. Another seven new features were promoted. Participating were the Head of Sales and Marketing, the Head of Business Affairs and Development Executive Timothy O’Brien.

Rotterdam Film Festival

The world premiere of *The Strength of Water* screened in competition in the VPRO Tiger Awards at this festival. This is the first time that a film from New Zealand has been included in competition. Director Armagan Ballantyne and writer Briar Grace-Smith were in Rotterdam to introduce the film to the Festival audience. Vincent Ward’s *Rain of the Children* also screened in official selection.

Berlin Film Festival and Market

NZ Film participated at this major international event with *The Strength of Water* as an official selection for the Generation section of the festival. The two child actors in the film, Hato Paparoa and Melanie Mayall-Nahi, attended the festival along with director Armagan Ballantyne, writer Briar Grace-Smith and producer Fiona Copland. NZ Film also organised a market screening of *Dean Spanley* and a first footage screening of *The Vintner’s Luck*.

Cannes Film Festival and Market

In May 2009 NZ Film organized New Zealand’s 30th consecutive participation at the Cannes Film Festival. Twenty-four New Zealand filmmakers and two New Zealand distributors were based in the NZ Film office. NZFC staff attending were the NZFC’s Chief Executive, the Head of Sales and Marketing, the Head of Development and the Head of Business and Legal Affairs. Judith McCann, representing Film New Zealand, Penelope Borland, CEO of SPADA and Jacqueline Corbett from Investment NZ also attended.

NZ Film’s Cannes participation succeeded in delivering:

- A well-attended breakfast seminar on Filming in NZ co-hosted with Film New Zealand. This seminar gave NZ producers an opportunity to discuss potential co-productions with producers from around the world;
- Networking opportunities for the participating New Zealand filmmakers, who met international producers, financiers and distributors;
- Successful positioning of new films with key distributors, and agreement on international sales strategies with co-investors;
- Targeted pitching of new projects to key distributors and festivals, utilising new marketing materials;
- Well-attended market screenings of *Under the Mountain* and *The Strength of Water*;
- Early promotion of six forthcoming feature titles;
- Sales and offers totalling more than US\$1.374M

Among special events held in the NZ Film office was a function for distributors and financiers involved with *Under the Mountain*.

International Releases and Sales – features

Dean Spanley

Following on from its world premiere at the Toronto International Film Festival in September, the film had its UK premiere in October at the London Film Festival. UK distributors, Icon, began the British theatrical release in early December, on 55 prints. The UK Film Council assisted Icon with their release by providing a grant from their distribution fund. The film opened to wide critical acclaim.

Peter O’Toole was nominated for the London Critics Circle Award for British Actor In A Supporting Role.

NZ Film held trade screenings in November at the American Film Market and in February 2009 at the Berlin Film Market. The film also screened as part of the Cannes Cinephiles programme of five recent NZ features, arranged in partnership with the 2009 Cannes Film Festival.

In October the film also screened at Korea’s Pusan International Film Festival and at the International Eurasia Film Festival in Turkey. In the US the film has screened at the Palm Springs, Portland and Cleveland Film Festivals. The film screened in March at Norway’s Kosmorama Trondheim Film Festival and in Israel as part of the Tel Aviv New Zealand Retrospective. In April it screened as part of the Singapore International Film Festival.

For the US release, NZ Film negotiated a deal with Miramax.

Apron Strings

Following on from its North American premiere at the Toronto International Film Festival in September, NZ Film held trade screenings in November at the American Film Market. The film also screened as part of the Cannes Cinephiles programme of five recent NZ features, arranged in partnership with the Cannes Film Festival.

In France, *Apron Strings* also screened at the St Tropez Antipodes Film Festival and the Creteil Women’s Film Festival; and in Poland at the Off Camera International Film Festival. In November the film was selected to screen at the Taipei Golden Horse Film Festival, the International Film Festival in Goa, and at Kuala Lumpur’s International Film Festival. The film participated in the West Hollywood Women’s International Film and TV Showcase, and screened at the Dubai International Film Festival in December. In the US, the film has screened at the Santa Barbara, Cleveland, Minneapolis and Seattle International Festivals.

Show of Hands

Following on from its world premiere at the Montreal Film Festival in August, the film was selected to screen at the Hawaii International Film Festival in October. NZ Film held trade screenings in November at the American Film Market.

The film screened at the Shanghai International Film Festival in June.

The Strength of Water

Following on from its world premiere in competition at the 2009 Rotterdam International Film Festival, *The Strength of Water* screened at the Berlin International Film Festival. In March the film screened

at Norway's Kosmorama Trondheim Film Festival and in May at the Seattle International Film Festival. The film went on to screen in June at the Sydney Film Festival and the Shanghai International Film Festival.

NZ Film held trade screenings in May at the Cannes Film Festival. The film also screened as part of the Cannes Cinephiles programme of five recent NZ features, arranged in partnership with the Cannes Film Festival.

Rain of the Children

Following on from its world premiere at the 2008 Sydney Film Festival, *Rain of the Children* celebrated its European premiere at the Karlovy Vary International Film Festival in July. It went onto screen at the Era New Horizons International Film Festival in Wrocław, Poland and the Melbourne International Film Festival. The film had its North American premiere at the Montreal Film Festival in August; its Asian Premiere at the Bangkok International Film Festival and its US premiere at the Hawaii International Film Festival in October. That same month, the film screened at the Chicago and the Hof International Film Festivals, and the Seoul International Family Film Festival.

NZ Film held trade screenings at the American Film Market. In January 2009 the film screened in France as part of the FIPA, and was officially selected to screen at the Rotterdam International Film Festival in their Spectrum programme. In March *Rain of the Children* screened in Israel as part of the Tel Aviv New Zealand Retrospective, and in April at the Singapore International Film Festival.

The film also screened as part of the Cannes Cinephiles programme of five recent NZ features, arranged in partnership with the Cannes Film Festival. In June it screened at the Montreal First People's Festival and the Shanghai Film Festival.

A Song of Good

Following on from its trade screening at the 2008 Cannes Film Festival, *A Song of Good* screened at the Karlovy Vary International Film Festival in the Czech Republic. The film was then selected to screen at the Durban International Film Festival, and celebrated its North

American premiere at the Montreal Film Festival. In October the film screened at the Flanders International Film Festival in Ghent, Belgium, at the Warsaw Film Festival and in Mexico as part of the First International Film Week. *A Song of Good* screened at the Gijon and Tallinn Black Nights International Film Festivals in November.

Second-Hand Wedding

In October 2008 the Film was selected to screen at the Hawaii International Film Festival, the St Tropez Antipodes Film Festival, the Heartland Truly Moving Pictures Festival in the US and the Seoul International Film Festival. The film screened in Turkey in November in the 7th International Comedy Film Festival, and in the US at the Sedona International Film Festival in February. In April the film screened at the Singapore International Film Festival.

NZ Film began trade screenings in November at the American Film Market. The film also screened as part of the Cannes Cinephiles programme of five recent NZ features, arranged in partnership with the Cannes Film Festival.

Under the Mountain

Prior to delivery NZ Film promoted the film at the 2008 Toronto International Film Festival, the American Film Market, and Berlin Film Festival. A market premiere for this film was organised by NZ Film at the Cannes Film Festival. Director Jonathan King and fellow producers Richard Fletcher and Matthew Grainger were part of the NZ delegation at Cannes.

The US territory for this film is being handled by US sales agency Cinetic. E1 are the Canadian distributors. Icon will distribute the film in the UK.

The Vintner's Luck

Prior to delivery NZ Film promoted the film at the 2008 Toronto International Film Festival and the American Film Market. Footage from the film was screened at the 2009 Berlin and Cannes Film Festival.

NZ pre-sold the film for distribution in the UK, Switzerland, Germany and Pan Latin. Japanese rights were sold by the film's Japanese investors, ORE. The Benelux territory is being handled by the film's French producers.

Film Festivals

The NZFC once again supported the annual Cinema Des Antipodes film festival in the French city of St Tropez. The programme included *Second-Hand Wedding*, *The Lunatics' Ball* and *Apron Strings*.

In March, the NZFC provided seven features for the Tel Aviv New Zealand Retrospective in Israel. The programme included *Dean Spanley*, *Desperate Remedies*, *Out of the Blue*, *Perfect Strangers*, *Rain*, *Rain of the Children* and *The Price of Milk*. The festival ran in Tel Aviv, Haifa and Jerusalem.

The NZFC also provided five features for the Cannes Cinephiles Festival which is held at the same time as the Cannes Film Festival. *Rain of the Children*, *The Strength of Water*, *Dean Spanley*, *Apron Strings*, *Second Hand Wedding* all screened with French subtitles. Cannes Cinephiles is an independently organized festival programmed by Bernard Bories. It takes place in a suburb of Cannes and has a focus on films from Australia and NZ.

International festivals and sales – short films

Short films financed by the NZFC had 233 screenings at international film festivals and special events, all organised as a result of initiatives by NZ Film compared with 114 the previous year.

The NZFC-financed short film *The Six Dollar Fifty Man* had its world premiere at the 2009 Cannes Film Festival, winning the 'Special Distinction' award. Producer Wendy Cuthbert and writer/director team Mark Albiston and Louis Sutherland attended Cannes with assistance from the NZFC. *Lars and Peter*, a co-production between New Zealand and Denmark was also selected for Cannes; it was made with funding from the Screen Innovation Production Fund (a Creative New Zealand programme supported financially by the NZFC) and the Danish Film Institute.

This Is Her was selected for a number of high profile festivals including: Sundance Film Festival, 35th Telluride Film Festival, the 46th New York Film Festival and the Melbourne International Film Festival. The NZFC-financed short film also won *The Audience Award* at Prague International Short Film Festival, *Best Short Film* at St Tropez Antipodes Film Festival and *Best Comedy Short* at Aspen Shortsfest. Director Katie Wolfe travelled to Telluride, New

York and Sundance with assistance from the NZFC. Producer Rachel Lorimer also attended Sundance with NZFC assistance.

Aphrodite's Farm (NZFC-financed) was selected in competition for the 59th Internationale Filmfestspiele Berlin in the Generation 14 plus section. It won the *Crystal Bear* for *Best Short Film*. Director and co-writer Adam Strange and producer Anzak Tindall attended the Festival with support from the NZFC. *Kehua* was also selected in competition for the Generation K Plus at the 59th Internationale Filmfestspiele Berlin. Director Wiremu Grace received NZFC assistance to attend the Festival.

Three New Zealand short films were selected for competition at the acclaimed 53rd Valladolid International Film Festival in Spain: *Careful with that Axe*, *Bridge* and *Take 3*. *Careful with that Axe* received post-production funding from the NZFC and won the *Golden Spike for Best Short Film* at Valladolid, while the NZFC-financed *Take 3* won the *Meeting Point Audience Award for Best Foreign Short*, also at Valladolid. The director (Jochen Fitzherbert) and producer (Zane Holmes) of NZFC-financed *Bridge* attended the festival with assistance from the NZFC.

Careful with that Axe was written, directed and produced by Jason Stutter. It was selected for AFI and also in competition at the Melbourne International Film Festival. *Careful with that Axe* also received *Special Mention* at the 24th Interfilm Short Film Festival in Berlin.

Betty Banned Sweets was selected in competition for the International Film Festival Rotterdam in the New Arrivals section. *Betty Banned Sweets* received post production financing from the NZFC. It also had its U.K. premiere at the 63rd Edinburgh International Film Festival. It screened in competition at the 31st Clermont-Ferrand Short Film Festival in France, 18th Aspen Shortsfest and Gijon Young Peoples Film Festival in Spain. Writer/director/ producer, Michelle Savill attended Rotterdam, Edinburgh, Melbourne and Clermont-Ferrand with assistance from the NZFC.

The Graffiti of Mr Tupaia which won three awards at the 2008 Qantas Film and Television Awards for *Best Short Film*, *Best Performance in a Short Film* and *Best Screenplay*, also won *Best Film Against Violence and Intolerance* at the 24th Interfilm Short Film Festival in Berlin. The NZFC-financed short film premiered

internationally at the 61st Locarno Film Festival in Switzerland and also screened at the International Film Festival of Documentary and Short Film of Bilbao. It was later selected for the Seattle International Film Festival, as well as *This Is Her* and *Careful with that Power Tool*. *Careful with that Power Tool* was also selected for Hamburg International Short Film Festival in Germany.

Coffee & Allah continued its success from 2007. The NZFC-financed short film won *Best Short Film* at the 28th Louis Vuitton Hawaii International Film Festival, the winner of the *Dior Style Evocation* prize at Vladivostok International Film Festival and also won *Best Short Film* at the International Festival of Muslim Cinema in Russia and also screened at the 53rd Corona Cork Film Festival.

Leo Woodhead's short film, *Cargo*, was selected for the 35th Telluride Film Festival. *Cargo* received post-production finance from the NZFC. It was also selected in competition for Melbourne International Film Festival and Paris Cinema International Film Festival.

44 short films screened at Era New Horizons Film Festival in Poland as part of a retrospective screening of New Zealand film. These short films were: *Possum*, *The Singing Trophy*, *Kitchen Sink*, *The French Doors*, *Nature's Way*, *A Moment Passing*, *The Hole*, *Larger Than Life*, *O Tamaiti*, *Avondale Dogs*, *Watermark*, *Fog*, *Truant*, *Sure To Rise*, *The Beach*, *Chop Off*, *Fish Out of Water*, *Karma*, *Kitty*, *The Platform*, *Valley of the Stereos*, *Signing Off*, *Delores*, *Cow*, *Snail's Pace*, *Mananui*, *Two Cars*, *One Night*, *Tama Tu*, *The King Boys*, *Hawaikii*, *Wog Features*, *Te Ao Kapurangi*, *Te Po Uriuri*, *Little Queen*, *Walkshort*, *Hurtle*, *Fly*, *Infection*, *Decaff*, *Decaff II*, *In Spring One Plants Alone*, *State Of Siege*.

Several Academy-qualifying festivals selected NZ short films. The CFC-Worldwide Short Film Festival in Canada chose three NZFC financed short films for its 2009 edition; *Careful with that Power Tool*, *Coffee & Allah* and *This Is Her*. *Take 3* and *Careful with that Axe* were selected for Short Shorts Asia in Japan. Palm Springs Shortsfest in the USA chose *Careful with that Axe*, *This Is Her*, *Mokopuna* and *Bridge* to screen at its Festival. *This Is Her*, *Careful with that Axe*, *Take 3* and *The Trophy* were selected for the International Competition section of Australia's Flickerfest in 2009.

Two Maori short films; *Kehua* and *Mokopuna* were selected for the Montreal First Peoples' Film Festival. *Kehua* and *Mokopuna* as well as *Journey to Ihipa* and *Patu Ihu* were also selected for Dreamspeakers Film Festival in Canada. *Mokopuna* won *Best Short Film* of the Festival.

Sprockets International Film Festival for Children in Canada selected *Hawaikii*, *Run*, *The Trophy* and *Mokopuna*. The short 'documentation' film, *Noise Control* was also selected for the Chicago Children's International Film Festival along with *Run* and *The Trophy*. *Careful with that Axe* was selected for NY Children's Film Festival.

Clermont-Ferrand short film festival and market

NZ Film was represented at the 2009 Festival by Short Film Manager, Juliette Veber and Short Film Assistant, Lucy Cleary. *Betty Banned Sweets* was invited into competition at Clermont-Ferrand (written, directed and produced by Michelle Savill). Michelle Savill was supported by the NZFC to attend the festival.

NZ Film screened a programme of nine short films in the festival market, and another eight short films represented by NZFC were available for viewing in the video booth. The films which screened in the New Zealand programme were: *The Handover* (writer Bianca Zander, director David Stubbs, producer Vicky Pope), *Aphrodite's Farm* (writers Peter Force & Adam Strange, director Adam Strange, producer Anzak Tindall), *The Road Out of Town* (writer/directors Adam Luxton/ Jeremy Dumble, producer Richard Collins), *Brave Donkey* (writer Gregory King, director Gaysorn Thavat, producer Nikki Walker), *Journey to Ihipa* (writer Vicky-Anne Heikell, director Nancy Brunning, producer Makerita Urale), *Bridge* (writer/ director Jochen Fitzherbert, producers Zane Holmes and Ashley Stuart Coupland), *This Is Her* (writer Kate McDermott, director Katie Wolfe, producers Felicity Letcher and Rachel Lorimer), *Careful with that Power Tool* (writer/director/producer Jason Stutter), *Udergrowth* (writer/director Grant Major, producer Dan Salmon), *Patu Ihu* (writers Summer Agnew/Warren Beazley, director Summer Agnew, producer Angela Littlejohn).

GOAL 5/ To maintain strong stakeholder relationships

Achieving the NZFC's key outputs is dependent on close and effective working relationships with government agencies, industry organisations and filmmakers.

Infrastructure Support

The NZFC continued its support for the infrastructure of the film industry with grants to Film NZ, The Film Archive, Nga Aho Whakaari, SPADA and the SPADA Conference, the NZ Screen Directors' Guild, the NZ Writers' Guild, Script to Screen and Women in Film & Television. The NZFC was also a sponsor of the Qantas Film & Television Awards and supported the NZ Federation of Film Societies along with the following festivals: the NZ International Film Festival, the Wairoa Maori Film Festival, the 48 Hour Film Festival and the Show Me Shorts Film Festival.

The following professional training and development opportunities were also offered in partnership with industry bodies:

WIFT Mentoring

This programme was designed by *Women in Film and Television* to enable 10 emerging filmmakers ranging from producers through to craft groups to be mentored by a senior professional. The mentors included: Kath Akuhata-Brown, Vanessa Alexander, Pietra Brett-Kelly, Philippa Campbell, Lisa Chappell, Ngila Dickson, Adrienne Dunlop, Margot Francis, Annie Frear, Mairi Gunn, Rachel Lang, Angela Littlejohn, Elizabeth McRae, Robyn Malcolm, Christina Milligan, Leanne Pooley, Kahra Scott James and Gavin Strawhan.

NZ Screen Directors' Guild: Tom Abrams Mise-en-Scene workshop – August

Los Angeles scriptwriter and USC associate professor Tom Abrams conducted workshops organised by the NZSDG with NZFC financial support. These workshops focussed on the development of mise-en-scene as a part of the director's craft. Thirty directors participated in workshops that took place in Auckland and Wellington.

DocNZ Pitching Competition – September

The NZFC provided funding for an award at the DocNZ Documentary Summit in Auckland. The winner, with a project entitled *Pictures of Susan*, was Dan Salmon.

SPADA: Eurista 'The Business of Development' – November

This two day development seminar was held in Auckland and run by Stephen Cleary under the auspices of SPADA. The seminar attracted attendance from senior producers, arts agencies and broadcasters.

SPADA: Navigating the SPIF Workshops – April

NZFC Business and Legal Staff ran two morning sessions organised by SPADA – one in Auckland and one in Wellington - to familiarise producers with the Screen Production Incentive Fund.

Communications and Consultations

Alongside its regular communications activities including bimonthly electronic newsletters, announcement of events and market publications the NZFC undertook a variety of communication events targeted at filmmakers:

AFM feedback sessions – November

Head of Sales and Marketing Kathleen Drumm and Development Executive Timothy O'Brien gave producers in Wellington and Auckland information on market trends following their attendance at the American Film Market in Los Angeles.

Market updates – March

Kathleen Drumm, Marilyn Milgrom and Juliette Veber updated interested filmmakers on the Berlin, Rotterdam and Clermont-Ferrand markets in Auckland and Wellington.

Production Financing Guidelines – March

The NZFC held presentations in Auckland and Wellington to present the new production financing guidelines to producers.

Strategic Direction Meeting – June

Key industry members were invited to sessions in Wellington and Auckland to discuss proposed changes to our Statement of Intent and Budget for 2009/1010.

GOAL 6/

To maintain standards of good governance, business practice and accountability

The NZFC is committed to best practice governance with the aim of ensuring fairness and transparency of policies, processes and decision-making, in order to maximise the opportunities for each film project and filmmaker that seeks support.

Total administrative costs not otherwise allocated to specific operations: \$2,562,720 (previous year \$2.572m)

Governance

The NZFC held six regular Board meetings: three took place in Wellington and three in Auckland. Five were two-day meetings, and one was a one-day meeting. Prior to the one-day meeting, senior staff and the Board held a daylong policy/strategy meeting in February. In addition there were seven Special Board meetings all conducted by teleconference.

The Development Committee met six times.

The Finance and Audit Committee met five times.

The Sales Agency Advisory Committee had four meetings. Mark Croft joined this committee as an additional member in April 2008.

The Film Fund 2 Committee had 2 meetings, one of which was a joint meeting with the NZFC Board.

The SPIF Committee met eight times.

Board member, William Somerville, the Deputy Chief Executive and the Head of Business Affairs appeared before Parliament's Government Administration Committee in February, as part of a formal financial review of the NZFC. This was the second consecutive year at which the NZFC has been requested to appear before the committee in person.

Board financing commitments and funding

The Board made seven commitments for feature film investment and supported 9 digital features by making grants for post-production.

Film Fund 1

The New Zealand Film Fund Production Trust is currently due to be wound up in June 2010. Its three independent trustees are David Gascoigne, Chris Prowse and Barrie Everard. The NZFC representatives were Wendy Palmer and Ruth Harley until the latter's departure from the NZFC in October 2008 when David Cullwick replaced her.

The Trust held five formal meetings and continued to provide regular reports to the NZFC Board. The NZFC continued to provide administrative assistance for the Trust in accordance with a service agreement.

In May 2009 the Film Fund published an Interim Report which provided details of its investments to that date.

Film Fund 2

When SPIF was introduced, the Government reallocated NZFC funding which had been set aside for Film Fund 2 to the SPIF fund and therefore once this committee had completed financing on *Separation City*, it was formally disestablished. This occurred in December 2008. At that time this committee had presided over NZFC investment in 4 feature films: *The Vintner's Luck*, *Dean Spanley*, *Under the Mountain* and *Separation City*.

Production Financing Guidelines

Following the introduction of SPIF, the NZFC undertook a review of its production financing guidelines. As a result of this review, new Production Financing Guidelines were issued in February 2008. Key changes were:

- (a) A cap on the level of NZFC investment: the maximum amount that the NZFC will invest is: (a) \$2.5M for SPIF films and (b) \$3M for non-SPIF films.
- (b) SPIF recoupment: except for larger-budget films with complex financing structures, the NZFC will offer producers of SPIF films 10% of the NZFC's premium recoupment position

(which exists for any amount invested over \$2M) as an advance on the producer's SPIF equity and a pro-rata, pari passu recoupment position for the remaining SPIF equity.

- (c) Non-SPIF recoupment: to bring the producer's recoupment position on non-SPIF films more in line with SPIF films, the NZFC will offer producers of non-SPIF films a 40% share of the NZFC's recoupment position. This replaces the previous policy which offered producers a 10% share.
- (d) SPIF overage: Where NZFC invests in a SPIF film, the NZFC will apply any SPIF overage to reduce the NZFC equity investment. Essentially this means that part of the NZFC investment is cashflowing part of the SPIF grant. The SPIF overage is the final SPIF grant less all amounts required to repay the primary SPIF lender and any other party (including the producer) who has cashflowed all or part of the estimated SPIF grant to the production.
- (e) Disclosure of decisions: The NZFC will disclose the amount of its feature film equity investments as soon as the financing for the relevant project has closed.
- (f) Sales agent: The guidelines have been clarified to make it clear that feature film producers may choose either NZ Film or an offshore sales agent to represent their project.
- (g) NZ distribution deal: As recommended in the Sue Murray report, the guidelines have been clarified to support the expectation that producers are responsible for negotiating and completing the NZ theatrical distribution deal for their film. NZFC will continue to provide advice on standard terms.

Partnership relationships with Government

The NZFC's annual Statement of Intent was approved by the Board and signed off by the Minister for Arts, Culture and Heritage. The NZFC also signed its annual Memorandum of Understanding with the Minister. Fortnightly reports were provided to the Minister and the Associate Ministers.

In association with the Ministry of Foreign Affairs and Trade and the Ministry of Culture and Heritage, the NZFC assisted in the negotiation of a film-only co-production agreement between New Zealand and South Korea. This agreement was finalised in October and the text is on the NZFC website. New Zealand now has a total of 10 international co-production treaties or agreements.

A co-production agreement with South Africa is close to finalisation. New Zealand is also in active negotiation with India and China over new co-production agreements. The NZFC agreed with Screen Australia that the reciprocal nationality arrangement for official co-productions be extended for a further year to 31 March 2010.

Administration of the Large Budget Screen Production Grant Scheme

The NZFC continued to provide administrative services for the Government's Large Budget Screen Production Grant Scheme, which is now in its sixth year. Details of the scheme and its criteria are on the NZFC website.

The NZFC continued to be responsible for convening and chairing meetings of a panel that assesses application for grants. The panel met on seven occasions to approve, decline or adjust the applications, to ensure that the application process runs in a transparent, consistent and timely fashion and to work with and develop the criteria. The panel comprised a representative of both the Ministry of Economic Development and the Inland Revenue Department, up to four industry practitioners (Trishia Downie, Catherine Madigan, Tim Sanders and Chloe Smith) and the NZFC Chief Executive or Deputy Chief Executive as chair of the meetings.

During the year a total of nine grants were approved and paid to:

Jumper
\$1.091m
Jumper Productions NZ Limited

Underworld 3
\$4.555m
UW3 Film Production Limited

Avatar (2nd interim)
\$15.369m
880 Productions Limited

Prince Caspian
\$2.828m
Wimbleweather Limited

The Day the Earth Stood Still
\$3.509m
New Upstairs Productions Limited

They Came From Upstairs
\$5.207m
New Upstairs Productions Limited

Power Rangers – Jungle Fury
\$3.009m
Ranger Productions Limited

Avatar (3rd Interim)
\$7.770m
880 Productions Limited

Wolverine
\$4.531m
WOZ Productions Limited

In accordance with the target timeframe, six of the applications were processed within three months of receipt. The processing of three applications took longer than three months due to delays in receiving extra information from the applicants about various aspects of their applications.

Administration of the Screen Production Incentive Fund

On 1 July 2008 the NZFC became the administrator for the Government's newly introduced Screen Production Incentive Fund (SPIF). Details of the fund and its criteria and a list of 'frequently asked questions' are available on the NZFC website.

A sub-committee of the NZFC has been established to assess and consider applications for provisional and final certification for a SPIF grant. The committee comprised three industry practitioners (Trishia Downie, Dave Gibson and Matthew Metcalfe), two NZFC Board Members (Shane Simpson and William Somerville) and the NZFC Chief Executive, Deputy Chief Executive and Head of Business Affairs. The NZFC Chief Executive or Deputy Chief Executive chairs the meetings and a representative from the Ministry of Culture and Heritage and the Inland Revenue Department are invited to attend all meetings.

Over the course of the financial year, the Committee met on eight occasions to approve, decline or adjust the applications, to ensure that the application process runs in a transparent, consistent and timely fashion and to work with and develop the criteria.

The following eight applications received provisional certification:

Under the Mountain
Feature Film
Redhead Films Limited

Separation City
Feature Film
Separation City Limited

Matariki
Feature Film
Filmwork (Matariki) Limited

The Vent
Feature Film
Rocket Pictures Limited

Travel Bug
TV Documentary Series
Natural History NZ Limited

The Volcano
Feature Film
The Volcano Company Limited

Emilie Richards: Tales of the South Pacific
TV Drama Series
GFC (Germany) Limited

Predicament
Feature Film
Novel Productions Limited

No applications for final certification were processed.

In accordance with the target timeframe, six of the applications were processed within six weeks of receipt. The processing of two applications took longer than six weeks due to delays in receiving extra information from the applicants about various aspects of their applications.

In October 2008 the NZFC held seminars for industry members in Auckland and Wellington to cover SPIF criteria and process, and NZFC investment in both SPIF and non-SPIF films including recoupment. In April 2009 further seminars were held to give practical guidance for producers on preparing applications for SPIF, cashflowing SPIF, and monitoring QNZPE during production.

Structure

Board

David Cullwick completed his third and final year as NZFC chairman. Bill Birnie completed his eighth year as deputy chair.

The NZFC has five key decision-making bodies.

1. The full Board

The NZFC is a statutory body and the Board meets on average six times a year to decide on policy matters and major production investment for all feature films.

Members for the year to 30 June 2009 were:

David Cullwick (chair), Bill Birnie, (deputy chair), Vanessa Alexander, Andrew Cornwell, Wendy Palmer, Shane Simpson, William Somerville, Tainui Stephens.

All members are appointed by the Minister for Arts, Culture and Heritage.

David Cullwick, Vanessa Alexander, Wendy Palmer and Shane Simpson completed their terms at the end of the financial year.

2. The Development Committee

This committee is appointed by the Board to decide on applications for feature film script development and follows rules formulated by the Board. Chaired by the Chief Executive, its members at each meeting include one Board member and two representatives of the independent production industry. The Board was represented by Tainui Stephens or Vanessa Alexander. Independent industry professionals who participated in meetings were Gillian Ashurst, Riwia Brown, Paul Davis, Matthew Grainger, Jonathan King, Shuchi Kothari, Robin Laing, John Reid, Robert Sarkies, Glenn Standring, Graeme Tetley and Athina Tsoulis.

3. The Finance and Audit Committee

This committee of Board members takes responsibility for financial issues and risk management to maximize the time available for policy and production financing decisions at full Board meetings. The committee works in accordance with rules formulated by the NZFC. Members for the year to 30 June 2009 were:

Bill Birnie (chair), William Somerville, David Cullwick.

4. The Sales Agency Advisory Committee

This committee, appointed by the Board and working to rules formulated by the Board, is responsible for providing advice on sales strategies and targets, reviewing the sales agency's annual business plan, budget and performance and approving the annual marketing plan on a market by market basis. Its members for the year to 30 June 2009 were: Paul Davis (chair), Mark Croft, Wendy Palmer, Andrew Cornwell, Kathleen Drumm.

5. The Screen Production Incentive Fund (SPIF) Committee

This Committee, appointed by the Board is responsible for assessing whether provisional and final applications satisfy the criteria for the SPIF grant. Payment of final funding is dependent on verification from the Inland Revenue Department. One nominated representative from each of the Ministry for Culture and Heritage and the Inland Revenue Department are invited and entitled to attend meetings of SPIFCOM as observers. Its members for the year to 30 June 2009 were:

- NZFC Board Members: William Somerville and Shane Simpson
- NZFC Staff: Sarah Cull, Graeme Mason and Mladen Ivancic
- Independent Screen Production Industry Professionals: Trishia Downie, Dave Gibson and Matthew Metcalfe

Staff

Ruth Harley resigned as Chief Executive in October 2008 to take up the inaugural position of Chief Executive at Screen Australia. The Chair appointed NZFC's Deputy Chief Executive, Mladen Ivancic, to Acting Chief Executive until a permanent replacement was appointed. In April 2009 Graeme Mason was appointed Chief Executive.

Other staff changes during the period were Lucy Cleary joining as Short Film Assistant replacing Eloise Veber (temp), Prue Clark replaced Erin Banks as Receptionist/ Development Assistant and Erin moving into the newly created role of Business Affairs Assistant. Sophie Cherry (temp) replaced Jason Cook as Distribution Assistant and Paul Swadel replaced Timothy O'Brien as one of the Development Executives.

During the period under review Kathleen Drumm resigned as Head of Sales and Marketing.

The NZFC continued to observe its human resources policies and procedures, which are formally recorded and include a commitment to equal employment opportunities by elimination of all aspects of policies, procedures, practices and any institutional barriers that may cause or perpetuate inequalities in respect of employment opportunities of any person or groups of persons. Policies on being a good employer as outlined in the Crown Entities Act 2004 are operational. It includes ensuring that all employees have opportunities to achieve their potential, recognizing and valuing employees' different skills, talents, experiences and perspectives, and their different cultural values and beliefs, recognition of the aims and aspirations of Maori, and recognition of the aims, aspirations and employment requirements of ethnic or minority groups, women, and persons with disabilities. Equal employment opportunities are incorporated in staff selection and management, to achieve as diverse personnel as possible given the small size of the NZFC.

Statement of Responsibility

for the year ended 30 June 2009

Pursuant to the Crown Entities Act 2004, the New Zealand Film Commission and the management of the New Zealand Film Commission accept responsibility for:

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

In the opinion of the New Zealand Film Commission and the management of the New Zealand Film Commission, the financial statements and Statement of Service Performance for the year ended 30 June 2009 set out on pages 29 to 50 fairly reflect the financial position and operations of the New Zealand Film Commission.



Patsy Reddy,
Chair



Bill Birnie,
Deputy Chairman

31 October, 2009

Statement of Financial Position

for the year ended 30 June 2009

	Notes	2009 Actual \$	2009 Budget \$	2008 Actual \$
Equity				
Accumulated funds		9,726,737	6,751,000	11,403,851
Total Equity	2	9,726,737	6,751,000	11,403,851
<i>Represented by:</i>				
Current Assets				
Cash and cash equivalents	3	3,681,197	8,300,000	7,117,097
Investments	4	12,509,616	7,000,000	20,200,000
Trade and other receivables	5	3,678,045	1,800,000	1,929,193
Total Current Assets		19,868,858	17,100,000	29,246,290
Non-Current Assets				
Property, Plant & Equipment	6	709,058	750,000	792,671
Intangible Assets	7	37,754	0	63,315
Total Non-Current Assets		746,812	750,000	855,986
Total Assets		20,615,670	17,850,000	30,102,276
<i>Less Liabilities:</i>				
Current Liabilities				
Trade and other payables	8	1,797,817	1,000,000	2,010,543
Employee Entitlements	9	86,841	0	71,567
Film Income Account	10	192,963	1,500,000	188,876
Project Commitments	11	8,811,312	8,599,000	16,414,202
Finance Lease	17	0	0	8,357
Total Current Liabilities		10,888,933	11,099,000	18,693,545
Non-Current Liabilities				
Finance Lease	17	0	0	4,880
Total Non-Current Liabilities		0	0	4,880
Total Liabilities		10,888,933	11,099,000	18,698,425
Net Assets		9,726,737	6,751,000	11,403,851

The accompanying notes on pages 32 to 47 form part of these financial statements.

Statement of Financial Performance

for the year ended 30 June 2009

	Note	2009 Actual \$	2009 Budget \$	2008 Actual \$
Income				
Crown Revenue		5,611,000	5,611,000	11,057,000
Lottery Board Grant		9,587,500	9,587,000	12,027,500
Income from Films	10	1,246,379	1,050,000	2,819,578
Distribution Fee	10	319,706	280,000	820,712
Interest		1,459,370	1,200,000	2,274,247
Writebacks		2,773,999	0	122,392
Other Income		167,089	50,000	59,474
		21,165,043	17,778,000	29,180,903
Crown Revenue - SPIF Grants		-	11,700,000	-
		21,165,043	29,478,000	29,180,903
Expenditure				
Development	12	3,229,079	3,530,000	3,486,642
Production	13	13,867,426	11,680,000	21,808,837
Professional Development and Industry Support	14	1,020,000	1,000,000	980,000
Marketing & Sales	15	2,162,932	2,494,000	1,785,560
Corporate	16	2,562,720	2,745,000	2,572,169
		22,842,157	21,449,000	30,633,208
Crown Revenue - SPIF Grants		-	11,700,000	-
		22,842,157	33,149,000	30,633,208
Net Surplus / (Deficit)		(1,677,114)	(3,671,000)	(1,452,305)

Explanations of significant variances against budget are detailed in note 28.
The accompanying notes on pages 32 to 47 form part of these financial statements.

Statement of Changes in Equity

for the year ended 30 June 2009

	2008 Actual \$	2009 Budget \$	2008 Actual \$
Equity at 1 July	11,403,851	10,422,000	12,856,156
Surplus / (Deficit) for the year	(1,677,114)	(3,671,000)	(1,452,305)
Total recognised income / (expense) for the year	(1,677,114)	(3,671,000)	(1,452,305)
Equity at 30 June	9,726,737	6,751,000	11,403,851

The accompanying notes on pages 32 to 47 form part of these financial statements.

Statement of Cashflows

for the year ended 30 June 2009

	Note	2009 Actual \$	2009 Budget \$	2008 Actual \$
Cash Flows from Operating Activities				
Receipts from Crown Revenue & Other Income		20,174,954	26,400,000	26,906,656
Interest Received		1,687,884	1,200,000	2,386,188
Production Funding, Marketing, Industry Support, Suppliers & Employees		(30,446,158)	(38,090,000)	(25,458,829)
Goods and Services Tax (net)		(689,467)	250,000	59,690
Net cash from operating activities	25	(9,272,787)	(10,240,000)	3,893,705
Cash Flows from Investing Activities				
Sale of Term Deposits		20,200,000	9,500,000	21,150,000
Purchase of Term Deposits		(12,509,616)	0	(25,250,000)
Short Term Loans Issued		(2,735,886)	0	(2,041,928)
Short Term Loans Repaid		898,850	700,000	1,786,099
Purchase of Property, Plant & Equipment		(83,302)	(160,000)	(855,690)
Sale of Property, Plant & Equipment		89,291	0	0
Purchase of Intangible Asset		(22,450)	0	(24,538)
Net cash from investing activities		5,836,887	10,040,000	(5,236,057)
Cash Flows from Financing Activities				
Decrease in Finance Lease		0	0	(8,357)
Net cash from financing activities		0	0	(8,357)
Net Increase / (Decrease) in Cash at Bank		(3,435,900)	(200,000)	(1,350,709)
Opening Cash at Bank		7,117,097	8,500,000	8,467,806
Closing Cash at Bank		3,681,197	8,300,000	7,117,097

The GST (net) component of operating activities reflects the net GST paid and received with the Inland Revenue Department. The GST (net) component has been presented on a net basis, as the gross amounts do not provide meaningful information for financial statement purposes.

The accompanying notes on pages 32 to 47 form part of these financial statements.

Notes to the Financial Statements

for the year ended 30 June 2009

1. STATEMENT OF ACCOUNTING POLICIES FOR THE YEAR ENDED 30 JUNE 2009

Reporting Entity

Pursuant to the New Zealand Film Commission Act 1978, the New Zealand Film Commission (the NZFC) was established on 13 November 1978 as a Crown Entity in terms of the Crown Entities Act 2004.

These are the New Zealand Film Commission'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 also participate and assist in the making, promotion and exhibition of films and has been established exclusively for charitable purposes in New Zealand. Accordingly, the NZFC has designated itself as a public benefit entity for the purposes of NZ equivalents to IFRS (NZ IFRS)

The financial statements of the NZFC are for the year ended 30 June 2009. The financial statements were authorised for issue on 31 October 2009.

Basis of preparation

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

These financial statements have been prepared in accordance with NZ GAAP. They comply with NZ IFRS, and other applicable Financial Reporting Standards, as appropriate for public benefit entities.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

The financial statements have been prepared on a historical cost basis.

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest dollar. The functional currency of NZFC is New Zealand dollars.

Foreign currency transactions are translated into 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 are recognised in the statement of financial performance.

Standards, amendments and interpretations issued that are not yet effective and have not been early adopted:

The NZFC has elected not to early adopt the following NZ IFRSs and Interpretations that had been approved by the New Zealand Accounting Standards Review Board as at 30 June 2009 as they are not yet applicable:

- NZ IAS 1: Presentation of Financial Statements (revised) approved by the Accounting Standards Review Board in November 2007. NZ IAS 1: Presentation of Financial Statements (revised) becomes effective for periods commencing on or after 1 January 2009.
- NZ IFRS 7: Financial Instruments: Disclosures (revised) approved by the Accounting Standards Review Board in March 2009. NZ IFRS 7: Financial Instruments: Disclosures (revised) becomes effective for periods commencing on or after 1 January 2009, and results in presentation changes.

The NZFC plans to adopt NZ IAS 1 and the NZ IFRS 7 in the 2010 Annual Accounts.

Revenue

Revenue is measured at the fair value of considerations received or receivable.

Crown Revenue

The NZFC is primarily funded through revenue received from the Crown, which is restricted in its use for the purpose of the NZFC meeting its objectives as specified in the Statement of Intent.

Other grants

Non-government grants are recognised as revenue when they become receivable.

Interest

Interest income is recognised using the effective interest method.

Returns from Film Investments

Returns from film investments are recognised as revenue when either a sales

contract is executed or, in the case of film royalty "overages", when the royalties have been reported and become receivable.

Trade and other receivables

Trade and other receivables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method, less any provision for impairment.

Impairment of a receivable is established on a case by case basis, when there is objective evidence that the NZFC will not be able to collect amounts due according to original terms of the receivable.

Significant financial difficulties of the debtor, probability that the debtor will enter into bankruptcy, and default in payments are considered indicators that the debtor is impaired. The carrying amount of the asset is reversed and written off against the unpaid invoices account in the Film Income Account. Overdue invoices that have been renegotiated are reclassified as current (i.e. not past due).

Loans are initially recognised at the present value of their expected future cash flows, discounted at the current market rate of return for a similar asset/investment. They are subsequently measured at amortised cost using the effective interest method. The difference between the face value and present value of expected future cash flows of the loan is recognised in the statement of financial performance.

Property, Plant & Equipment

Property, Plant & Equipment is shown at cost or valuation, less accumulated depreciation and impairment losses.

Additions

The cost of an item of property, plant and equipment is recognised as an asset if it is probable that future economic benefits associated with the item will flow to the NZFC and the cost of the item can be measured reliably.

Disposals

Gains and losses on disposals are determined by comparing the proceeds with the carrying amount of the asset. Gains and losses on disposals are included in the statement of financial performance.

Subsequent Costs

Costs incurred subsequent to initial acquisition are capitalised only when it is probable that future economic benefits or service potential associated with the item will flow to the NZFC and the cost of the item can be measured reliably.

Depreciation

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

Computer Equipment - Hardware	3 years	33.33%
Office Equipment	5 years	20.00%
Furniture and Fittings	7 years	14.29%
Leasehold Alterations	9 years	11.11%

The residual value and useful life of an asset is reviewed, and adjusted if applicable, at each financial year-end.

Intangible Assets

Software acquisition and development

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

Costs that are directly associated with the development of software for internal use by the NZFC, are recognised as an intangible asset.

Direct costs include the software development, employee costs and an appropriate portion of relevant overheads. Staff training costs are recognised as an expense when incurred.

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

Costs associated with the maintenance of the NZFC's website are recognised as an expense when incurred.

Amortisation

The carrying value of an intangible asset with a finite life is amortised on a straight-line basis over its useful life.

Amortisation begins when the asset is available for use and ceases at the date that the asset is derecognised.

The amortisation charge for each period is recognised in the statement of financial performance.

The useful lives and associated amortisation rates of major classes of intangible assets have been estimated as follows:

Computer software	3 years	33.33%
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Investments and Advances

Funding for film development and production, while in the nature of an investment, is treated as expenditure because of its high-risk nature. This expenditure is recognised at the time the commitment is approved and includes funds committed but not paid out at year-end. The exceptions to this policy are:

- Investments for which a certain level of income is contracted and reasonably assured. Such investments are treated as assets and valued at the minimum level of expected income.
- Short term advances made on a fully recourse basis where the payment is secured by some means so as to give a reasonable expectation of repayment.

Investment classification includes transferable certificates of deposit and short term deposits. Investments are valued at the lower of cost or market value. Interest has been accrued at year-end.

Project Commitments

This amount represents financial commitments and advances for film development and production committed by the NZFC, but not paid out at year-end.

Writebacks

Writebacks represent commitments for investments and advances treated as expenditure in previous years and subsequently revised or cancelled and therefore written back to the current year's income.

Prepayments

Expenses for future film markets and festivals incurred in the current year are shown as prepayments.

Foreign Currencies

Any bank deposits held in foreign currencies at balance date are valued at the quoted mid-rate at the close of business on 30 June 2009. The unrealised gain or loss resulting from the valuation is adjusted against income and expenditure.

Trade and other payables

Trade and other payables are initially measured at fair value and subsequently measured at amortised cost using the effective interest method.

Employee Benefits

Employee benefits that the NZFC expects to be settled within 12 months of balance date are measured at nominal values based on accrued entitlements at current rates of pay. These include salaries and wages accrued up to balance date and annual leave earned to, but not yet taken at balance date. The NZFC recognises a liability and an expense for bonuses where contractually obliged or where there is a past practice that has created a constructive obligation.

Superannuation Schemes

Obligations for contributions to Kiwisaver are accounted for as defined contribution superannuation scheme and are recognised as an expense in the statement of financial performance as incurred.

Financial Instruments

The NZFC is party to financial instruments as part of its everyday operations and these have been recognised in the statement of financial position. These instruments include cash on hand, bank balances, short term deposits, accounts receivable, accounts payable and project commitments.

Revenue and expenses in relation to all financial instruments are recognised in the Statement of Financial Performance.

Leases

Finance Leases

A finance lease is a lease that transfers to the lessee substantially all the risks and rewards incidental to ownership of an asset, whether or not title is eventually transferred.

At the commencement of the lease term, NZFC recognises finance leases as assets and liabilities in the statement of financial position at the lower of the fair value of the leased item or the present value of the minimum lease payments.

The amount recognised as an asset is depreciated over its useful life. If there is no certainty as to whether NZFC will obtain ownership at the end of the lease term, the asset is fully depreciated over the shorter of the lease term or its useful life.

Operating Leases

Operating lease payments, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased items, are charged as expenses in the periods in which they are incurred.

Cash and cash equivalents

Cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less. Term deposits represent deposits and other instruments with maturities of more than three months from acquisition date.

Operating activities includes all activities other than investing and financing activities. The cash inflows include all receipts from the sale of goods and services and other sources of revenue that support the NZFC's operating activities.

Cash outflows include payments made to employees, suppliers and taxes.

Investing activities are those activities relating to the acquisition and disposal of current and non-current securities and any other non-current assets.

Financing activities are those activities relating to changes in equity and debt capital structure of the NZFC and those activities relating to the cost of servicing the NZFC's equity capital.

Goods and Services Tax (GST)

The financial statements are prepared on a GST exclusive basis, except for receivables and payables, which are stated GST inclusive. Where GST is irrecoverable 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.

Budget Figures

The budget figures are those approved by the Board at the beginning of the financial year and are reported in the Statement of Intent (SOI).

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

On the face of the Financial Statements the Creative Development costs have moved from Professional Development & Industry Support to Development but the budgeted figures are consistent.

The Statement of Intent (SOI) has multiple line items that are condensed on the face of the Financial Statements.

Statement of Intent (SOI) Line items:	\$'000's
<i>Production</i>	
Short Films	1,610
NZFC Features	7,900
SPIF - NZFC - co-invest	2,000
Other Production costs	170
	11,680
<i>Marketing and Sales</i>	
International - Sales/ Marketing	1,467
Domestic - Distribution Initiatives	1,027
	2,494
<i>Corporate</i>	
Administration	2,520
Depreciation	225

Taxation

The NZFC is exempt from income tax in accordance with Section 29 of the New Zealand Film Commission Act 1978.

Changes in Accounting Policies

There have been no changes in accounting policies since the date of the audited financial statements for the year ended 30 June 2008.

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. The estimates and assumptions that have a significant risk of causing a material

adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below:

Property, plant and equipment useful lives and residual value:

At each balance date the NZFC reviews the useful lives and residual values of its property, plant and equipment. Assessing the appropriateness of useful life and residual value estimates of property, plant and equipment requires the NZFC to consider a number of factors such as the physical condition of the asset and expected period of use of the asset by the NZFC.

Film Income Account

Note 10 provides an explanation in relation to estimates and uncertainties surrounding the Film Income Account Liability.

Critical judgements in applying the NZFC's accounting policies

Management has exercised the following critical judgements in applying the NZFC's accounting policies for the period ended 30 June 2009:

Lease classification

Determining whether a lease agreement is a finance or operating lease requires judgement as to whether the agreement transfers substantially all the risks and rewards of ownership to the NZFC.

Judgement is required on various aspects that include, but are not limited to, the fair value of the leased asset, the economic life of the leased asset, whether or not to include renewal options in the lease term and determining an appropriate discount rate to calculate the present value of the minimum lease payments. Classification as a finance lease means the asset is recognised in the statement of financial position as property, plant and equipment, whereas for an operating lease no such asset is recognised.

The NZFC has exercised its judgement on the appropriate classification of equipment leases and has determined one lease arrangement is a finance lease.

2. EQUITY

	2009 \$	2008 \$
a. Accumulated funds		
Balance at 1 July	11,403,851	12,856,156
Surplus/(deficit)	(1,677,114)	(1,452,305)
Total Equity as 30 June	9,726,737	11,403,851

3. CASH AND CASH EQUIVALENTS

	2009 \$	2008 \$
Cash at bank and in hand	3,181,197	7,117,097
Term Deposits maturing three months or less from date of acquisition	500,000	0
	3,681,197	7,117,097

The carrying value of term deposits with maturity dates of three months or less approximates their fair value. Refer to note 4 for weighted average effective interest rate for cash and cash equivalents.

4. INVESTMENTS

	2009 \$	2008 \$
Term Deposits with maturities of 4-12 months	12,509,616	20,200,000
	12,509,616	20,200,000

There were no impairment provisions for investments.

Maturity Analysis and effective interest rates of term deposits

The maturity dates and weighted average effective interest rates for term deposits are as follows:

	2009 \$	2008 \$
Term Deposits (with maturities of 3 months or less ; average maturity 122 days)	10,009,616	0
<i>weighted average effective interest rate</i>	3.63%	<i>weighted average effective interest rate</i>
Term Deposits (with maturities of 4-12 months; average maturity 160 days)	2,500,000	20,200,000
<i>weighted average effective interest rate</i>	4.23%	<i>weighted average effective interest rate</i> 8.59%
	12,509,616	20,200,000

The carrying value of term deposits with maturity dates less than 12 months approximates their fair value. Term deposits with maturities of less than 3 months are invested at fixed rates ranging from 2.71% to 4.35%. Term deposits with maturities of greater than 3 months are invested at fixed rates ranging from 4.00% to 4.50%. As these deposits are at a fixed interest rate and measured at amortised cost an increase or decrease in interest rates during the period would not impact the measurement of the investments and hence there would be no impact on the surplus/(deficit) of equity.

5. TRADE AND OTHER RECEIVABLES

	2009	2008
	\$	\$
Trade Debtors	628,101	1,382,043
Net GST Receivable	493,523	0
Prepayments	52,904	47,803
Star Loans	2,550,622	713,586
Less: Provision for impairment	(47,105)	(214,239)
	3,678,045	1,929,193

The carrying value of receivables approximates their fair value.

The carrying amount of receivables that would otherwise be past due, but not impaired whose terms have been renegotiated is Nil (2008 = Nil).

As at 30 June 2009 and 2008, all overdue receivables have been assessed for impairment and appropriate provisions applied, as detailed below:

	2009			2008		
	Gross	Impairment	Net	Gross	Impairment	Net
	\$	\$	\$	\$	\$	\$
Current	769,787	0	769,787	716,667	0	716,667
Past due 31-60 days	60,861	0	60,861	44,798	0	44,798
Past due 61-90 days	65,021	0	65,021	151,406	0	151,406
Past due →91 days	2,829,481	(47,105)	2,782,376	1,230,561	(214,239)	1,016,322
	3,725,150	(47,105)	3,678,045	2,143,432	(214,239)	1,929,193

The provision of impairment has been calculated based on expected losses for the NZFC's pool of debtors. Expected losses have been determined based on the review of specific debtors.

Those specific debtors that are insolvent are fully provided for.

As at 30 June 2009 the NZFC has identified 2 debtors totalling \$41,389 (2008 = \$62,629) that are insolvent.

Movements in the Provision for Impairment for receivables

Movements in the Provision for Impairment for receivables are as follows:

	2009	2008
	\$	\$
Balance at 1 July	(214,239)	
Reversal of 2008 Provision	214,239	
Additional provisions made during the year	(47,105)	(214,239)
Balance 30 June	(47,105)	(214,239)

6. PROPERTY, PLANT & EQUIPMENT

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

	Leasehold	Computer	Office	Furniture	Total
	Alterations	Equipment			
	\$	\$	\$	\$	\$
Cost or Valuation					
Balance at 1 July 2007	0	260,367	118,817	161,153	540,337
Additions	495,630	75,286	59,840	224,934	855,690
Disposals	0	(86,671)	0	(51,922)	(138,593)
Balance at 30 June 2008	495,630	248,982	178,657	334,165	1,257,434
Balance at 1 July 2008	495,630	248,982	178,657	334,165	1,257,434
Additions	0	32,018	38,571	12,713	83,302
Reclassification of Assets		2,185	(2,185)		0
Disposals	0	(20,283)	(69,008)	0	(89,291)
Balance at 30 June 2009	495,630	262,902	146,035	346,878	1,251,445
Accumulated Depreciation					
Balance at 1 July 2007	0	231,900	74,796	135,726	442,422
Depreciaton Expense	54,522	33,128	29,974	35,988	153,612
Eliminate on Disposal	0	(85,394)	0	(45,877)	(131,271)
Balance at 30 June 2008	54,522	179,634	104,770	125,837	464,763
Balance at 1 July 2008	54,522	179,634	104,770	125,837	464,763
Reclassification of Assets		(9,730)	(465)		(10,195)
Depreciaton Expense	55,064	48,032	22,735	37,467	163,298
Eliminate on Disposal	0	(20,181)	(55,298)	0	(75,479)
Balance at 30 June 2009	109,586	197,755	71,742	163,304	542,387
Carrying amounts					
As at 30 June and 1 July 2007	0	28,467	44,021	25,427	97,915
As at 30 June and 1 July 2008	441,108	69,348	73,887	208,328	792,671
As at 30 June 2009	386,044	65,147	74,293	183,574	709,058

The net carrying amount of office equipment held under finance leases is Nil (2008 = \$13,237) There are no restrictions over the title of the NZFC's property, plant and equipment, nor are any items of property, plant and equipment pledged as security for liabilities.

Based on our annual review of the useful life of the NZFC's property, plant and equipment, we have assessed that there is no indication of impairment.

7. INTANGIBLE ASSETS

Movements for intangible assets are as follows:

	Computer Equipment - Acquired Software	\$
Cost or Valuation		
Balance at 1 July 2007	502,418	
Additions	24,538	
Disposals	(170,286)	
Balance at 30 June 2008	356,671	
Balance at 1 July 2008	356,671	
Additions	22,450	
Disposals	0	
Balance at 30 June 2009	379,121	
Accumulated Amortisation		
Balance at 1 July 2007	390,588	
Amortisation Expense	73,054	
Eliminate on Disposal	(170,286)	
Balance at 30 June 2008	293,356	
Balance at 1 July 2008	293,356	
Reclassification of Assets	10,196	
Amortisation Expense	37,815	
Eliminate on Disposal		
Balance at 30 June 2009	341,367	
Carrying amounts		
As at 30 June and 1 July 2007	111,830	
As at 30 June 2008	63,315	
As at 30 June 2009	37,754	

There are no restrictions over the title of the NZFC's intangible assets, nor are any intangible assets pledged as security for liabilities. Based on our annual review of the useful life of the NZFC's intangible assets, we have assessed that there is no indication of impairment.

8. TRADE AND OTHER PAYABLES

	2009	2008
	\$	\$
Trade Creditors	1,153,399	1,341,158
Sundry Accruals	623,120	390,926
Net GST Payable	0	195,943
PAYE	21,298	29,496
Money held on Co-investor's behalf	0	53,020
	1,797,817	2,010,543

Trade and other payables are non-interest bearing and are normally settled on 30-day terms, therefore the carrying value of trade and other payables approximates their fair value.

9. EMPLOYEE ENTITLEMENTS

	2009	2008
	\$	\$
Accrued Salaries and Wages	13,114	8,000
Annual Leave	73,727	63,567
	86,841	71,567

10. FILM INCOME ACCOUNT

The film income account is used to collect and distribute to investors film proceeds received by the NZFC in its role as sales agent and / or trustee of certain films. The balance at 30 June represents film income receivable or collected but not yet distributed and unpaid film sales invoices.

	2009	2008
	\$	\$
Opening Balance 1 July	188,876	558,521
Income from Sales	4,442,424	6,572,666
Total Film Income	4,631,300	7,131,187
Less: NZFC Distribution Fees	(319,706)	(820,712)
Less: Marketing & Other Expenses	(460,847)	(455,740)
Net Earnings	3,850,747	5,854,735
Less: Distributed to Investors	(1,224,849)	(1,895,861)
Less: Distributed to NZFC	(1,246,379)	(2,819,578)
Less: Loan Repayment to NZFC	(836,898)	(1,031,880)
	542,621	107,416
Provision for Unrecouped Expenses Increase/(Decrease)	(147,297)	245,326
Balance 30 June	395,324	352,742
Unpaid Invoices Increase / (Decrease)	(202,360)	(163,866)
Balance (including unpaid invoices)	192,963	188,876

The preparation of the film income account in conformity with NZ IFRS requires judgements, estimates and assumptions which are based on historical experience. The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised.

11. PROJECT COMMITMENTS

Feature Films	6,633,140	14,391,285
Short Films	983,043	988,668
Devolved Development and Producer Overhead Funds	1,195,129	1,034,249
	8,811,312	16,414,202

Project commitments represent commitments for investments and advances for film development and production committed by the NZFC, but not paid out at year end.

12. DEVELOPMENT

	2009	2008
	\$	\$
Feature Films - Development	2,264,823	2,561,387
Creative Development	560,781	562,535
External Services	51,126	47,962
Personnel Costs	352,349	314,758
	3,229,079	3,486,642

Creative Development has been moved from Professional Development & Industry Support in 2009 \$560,781 (2008 =562,535). This expenditure was reclassified because the costs consist of training initiatives for individuals which are designed to aid the development process.

13. PRODUCTION

	2009	2008
Feature Films - Production Financing	12,160,762	7,794,363
Film Fund 2 Films	0	12,497,350
Short Films - Production Financing	1,111,941	1,090,223
Signature Films	0	25,884
Screen Innovation Production Film Fund	350,000	350,000
Other Costs	244,723	51,017
	13,867,426	21,808,837

14. PROFESSIONAL DEVELOPMENT & INDUSTRY SUPPORT

	2009	2008
Festivals and Awards	205,000	205,000
Industry Support	815,000	775,000
	1,020,000	980,000

15. MARKETING AND SALES

	2009	2008
Features Marketing	796,667	519,578
Shorts Marketing	128,963	101,103
Market Attendance	203,712	181,702
Sales Agency - Features	545,519	545,916
Sales Agency - Shorts	60,347	53,274
Personnel Costs	427,724	383,987
	2,162,932	1,785,560

16. CORPORATE

	2009	2008
	\$	\$
Personnel Costs	1,060,655	950,449
Board Costs	223,130	249,532
Communications	104,486	95,200
Office Overheads	241,036	251,054
Depreciation and Amortisation Expense:		
Leasehold Alterations	55,064	54,522
Computer Equipment - Hardware	48,032	33,128
Computer Equipment - Software	37,815	73,054
Office Equipment	22,735	29,974
Furniture & Fittings	37,467	35,988
Rent	246,529	205,102
Audit Fees		
For the audit of the financial statements	37,220	35,833
For NZ IFRS transition	0	7,895
Other Costs	448,551	548,945
Interest Paid on Finance Lease	0	1,493
	2,562,720	2,572,169

17. ANALYSIS OF FINANCE LEASES

	2009	2008
	\$	\$
Minimum lease payments payable:		
Less than one year	0	9,852
Between one and two years	0	5,747
More than five years	0	0
Total minimum lease payments	0	15,599
Less: Future Finance Charges	0	(2,362)
Present Value of minimum lease payments	0	13,237
Present value of minimum lease payments payable		
Less than one year	0	8,357
Between one and two years	0	4,880
Between two and five years	0	0
More than five years	0	0
Total present value of minimum lease payments	0	13,237
Current portion of finance lease	0	8,357
Non-current portion of finance lease	0	4,880
Total Lease Liability	0	13,237

The NZFC terminated the lease in August 2008.

18. CAPITAL COMMITMENTS AND OPERATING LEASES

The NZFC had no capital commitments as at 30 June 2009 (2008 = Nil).

Operating Leases as a lessee

The future aggregate minimum lease payments to be paid under non-cancellable operating leases are as follows:

	2009	2008
	\$	\$
Not later than one year	218,138	218,138
Between one and two years	218,138	218,138
Between two and five years	436,276	654,414
Later than five years	0	0
	872,552	1,090,690

The NZFC leases two floors of an office building. The lease expires on 2 July 2019, with an option to vacate the premises at the renewal dates of 2 July 2013 and 2 July 2016.

The NZFC is assuming it will not vacate the premises at the lease renewal date of 2 July 2013. The NZFC does not have option to purchase the asset at the end of the lease term.

19. CONTINGENCIES

Contingent liabilities

There were no contingent liabilities at balance date (2008 = NIL).

Contingent assets

There were no contingent assets at balance date (2008 = NIL).

20. FINANCIAL INSTRUMENT RISK

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

Market risk

The interest rates on the NZFC's investments are disclosed in note 3.

Fair value interest rate risk

Fair value interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. The NZFC's exposure to fair value interest rate risk is limited to its bank deposits which are held at fixed rates of interest.

Credit risk

In the normal course of business the NZFC incurs credit risk from trade debtors and financial institutions.

Due to the timing of its cash inflows and outflows, the NZFC invests surplus cash with registered banks.

These Banks are: Kiwi Bank, HSBC, ASB, BNZ and The National Bank

The NZFC's Investment policy limits the amount of credit exposure to any one institution.

The NZFC's maximum credit exposure for each class of financial instrument is represented by the total carrying amount of cash and cash equivalents (note 2), short term deposits (note 3) and trade debtors (note 4)

There are no major concentrations of credit risk with respect to trade debtors and exposure to them is monitored on a regular basis. The NZFC does not require any collateral or security to support financial instruments due to the quality of the financial institutions dealt with.

The NZFC does not have any significant credit risk exposure to a single counterparty or any group of counterparties having similar characteristics due to the large number of customers included in the NZFC's customer base. The credit risk on cash at bank, short term investments and foreign exchange dealings is limited as the NZFC spreads its business amongst a number of AA+ rated counterparties. The credit risk relating to cash at bank and short term investments is insured by the Government deposit guarantee scheme up to a maximum of \$1,000,000 per depositor per guaranteed institution.

As at 30/06/2009 The NZFC had a Credit Limit of \$78,000 over the combined company credit cards.

Currency risk

The NZFC is not exposed to any significant currency risk. If the NZFC has reasonable assurance that a foreign exchange debtor will pay on a due date and the sum is material then the NZFC will use a foreign currency contract to manage the foreign currency exposure.

The forward exchange contracts outstanding at 30 June 2009 amounted to NIL (2008=NIL). The NZFC enters into foreign currency forward contracts to hedge currency transactions. Any exposure to gains or losses on those contracts is generally offset by a related loss or gain on the item being hedged. Apart from foreign currency forward contracts, all financial instruments are recognised in the Statement of Financial Position and all revenues and expenses in relation to financial instruments are recognised in the Statement of Financial Performance. The estimated fair values of the NZFC's financial assets and liabilities are as per disclosed in the financial statements.

21. CAPITAL MANAGEMENT

The NZFC's capital is its equity, which is accumulated funds. Equity is represented by net assets.

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

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

22. RELATED PARTY TRANSACTIONS AND KEY MANAGEMENT PERSONNEL

Related party transactions

The NZFC is a wholly owned entity of the Crown. The government significantly influences the role of the NZFC in addition to being a major source of revenue.

The NZFC enters into transactions with government departments, state-owned enterprises and other Crown Entities

Those transactions that occur within a normal supplier or client relationship on terms and conditions no more or less favourable than those which it is reasonable to expect the NZFC would have adopted if dealing with that entity at arm's length in the same circumstances have not been disclosed as a related party transaction.

The following transactions were carried out with related parties other than those described above:

All related party transactions have been entered into on an arms length basis.

The aggregate value of transactions and outstanding balances relating to key management personnel and entities over which they have control or significant influence were as follows:

Transaction	Transaction Value Year Ended 30 June		Balance Outstanding Year Ended 30 June	
	2009 \$	2008 \$	2009 \$	2008 \$
(i) Tainui Stephens: Board member - Advanced Development financing	47,700	0	0	0
(ii) Vanessa Alexander: Board member - Industry Infrastructure + professional development	120,378	0	378	0
(iii) Vanessa Alexander: Board member - Script Development	20,000	0	0	0
(iv) Tainui Stephens - Board Member - production financing	0	766,668	0	0
(v) Vanessa Alexander: Board Member - post production financing	0	38,119	0	0
(vi) Juliette Veber: - post production financing	0	25,000	0	0

(i) Tainui Stephens, Board member, is the Executive Producer of Belinda's Notes.

(ii) Vanessa Alexander, Board member, is also Chair of Script-to-Screen an independent trust which develops the craft and culture of storytelling for the screen.

(iii) Vanessa Alexander, Board member, is writer/producer of the feature film project One Man & His Dog

No provision has been required nor any expense recognised for impairment of receivables from related parties (2008=NIL)

Key Management Personnel

	2009 \$	2008 \$
Salaries and other short-term employee benefits	917,277	924,234
Post-employment benefit	0	0
Other long-term benefit	0	0
Termination benefit	0	0
	917,277	924,234

Key management personnel include all board members, the Chief Executive, Deputy Chief Executive, Head of Development, Head of Sales and Marketing and Head of Business Affairs.

23. BOARD MEMBER REMUNERATION

The total value of remuneration paid or payable to each Board member during the year was:

	2009 \$	2008 \$
David Cullwick (Chairman)	40,000	40,000
Bill Birnie	15,800	16,000
William Somerville	16,000	16,000
Tainui Stephens	15,800	16,000
Andrew Cornwell	16,000	16,000
Vanessa Alexander	16,000	16,000
Shane Simpson	15,800	15,600
Wendy Palmer	16,000	16,000
	151,400	151,600

\$15,000 (2008=\$15,648) was paid to the Chair of the Sales Agency Advisory Committee who is not a member of the board.

\$10,000 (2008=\$22,500) was paid to the Chair of the Film Fund 2 Committee who is not a member of the board.

No other payments have been made to committee members appointed by the Board who are not Board Members.

The NZFC has effected Directors and Officers Liability and Professional Indemnity insurance cover during the financial year in respect of the liability or costs of Board members and employees.

24. EMPLOYEE REMUNERATION

During the year, the number of employees of the NZFC, not being members, who received remuneration and other benefits in excess of \$100,000 were:

	Number of Employees	
	2009	2008
Remuneration		
\$230,000 - \$240,000	0	1
\$190,000 - \$200,000	1	0
\$160,000 - \$170,000	0	1
\$140,000 - \$150,000	1	0
\$130,000 - \$140,000	2	0
\$120,000 - \$130,000	0	1
\$110,000 - \$120,000	0	2
	4	5

During the year ended 30 June 2009, no employees received compensation and other benefits in relation to cessation. No Board members received compensation or other benefits in relation to cessation (2008 = 0) The CEO position changed during the year and the Deputy CEO fulfilled the CEO role for six months before the role was filled. This accounts for the changes to the salary band.

25. RECONCILIATION OF NET CASH FLOWS FROM OPERATING ACTIVITIES WITH THE NET SURPLUS FOR THE YEAR

	2009	2008
	\$	\$
Net Surplus	(1,677,115)	(1,452,305)
Add back: Non Cash Items		
Loss on Disposals	0	4,124
Doubtful Debts	167,334	
Bad Debts Written Off	(47,105)	
Depreciation and Amortisation	201,113	226,666
	(1,355,773)	(1,221,515)
Movements in Working Capital		
(Decrease) Increase in Accounts Receivable after excluding Capital Items	(581,705)	(47,175)
Decrease (Increase) in Accounts Payable after excluding Capital Items	17,506	(584,735)
Decrease (Increase) in Employee Entitlements	(15,274)	14,376
Decrease (Increase) in GST Payable	689,467	(59,690)
Decrease (Increase) in Finance Lease	13,237	0
Decrease (Increase) in Film Income Account	190,894	369,645
Decrease (Increase) in Project Commitments	7,602,890	(4,807,641)
Total Movements in Working Capital	7,917,015	(5,115,220)
Net Cash Flows from Operating Activities	(9,272,788)	3,893,705

26. EVENTS AFTER BALANCE DATE

There were no significant events after balance date.

27. CATEGORIES OF FINANCIAL ASSETS AND LIABILITIES

The carrying amounts of financial assets and liabilities in each of the NZ IAS 39 categories are as follows:

	2009	2008
	\$	\$
Loans and receivables		
Cash and cash equivalents	3,681,197	7,117,097
Trade and other receivables	3,678,045	1,929,193
Investments - term deposits	12,509,616	20,200,000
	19,868,859	29,246,290
Financial liabilities measured at amortised cost		
Trade and other payables	1,797,817	2,010,543
Project Commitments	8,811,312	16,414,202
Film Income	192,963	188,876
	10,802,093	18,613,621

28. MAJOR BUDGET VARIANCES

Budgeted revenue and expenditure assumed receipt and disbursement of \$11.7M of SPIF grants by NZFC, in its role as administrator of the scheme.

In the period no final applications for SPIF grants were processed, so no SPIF revenue was provided by the Crown, and no SPIF grants were paid out.

Total income (excluding SPIF grants) was \$21.07M, 18% higher than budgeted. This was almost completely due to feature film project writebacks,

totalled \$2.77M. Of this total writeback 84.41% relates to reductions in financing offers to two feature films: Separation City and Matariki.

Total expenditure (excluding SPIF grants) was \$22.679M, 5.7% higher than budgeted. The overspend was primarily feature film production financing,

and was possible because of the level of reserves carried forward at the beginning of the financial period, which had been specifically tagged by the

NZFC towards production financing.

REPORT AGAINST PERFORMANCE MEASURES

Statement of Service Performance 2008/2009

for the year ended 30 June 2009

GOALS	OUTPUTS	Performance measures	TARGETS 08/09	ACHIEVEMENTS 08/09 at 30 June 2009.
1. To create significant cultural capital with quality New Zealand films	1. Funding to enable development and production financing of a diverse range of quality film projects that meet funding criteria and create cultural capital Actual cost: \$12,464,000 Expected cost: \$21,770,000 [includes SPIF grant of \$11.7m]	1. Number of NZ feature-length films	1. Investment in at least 4 feature-length films from NZFC funding programmes including debut, specialist, low-budget, digital, and SPIF co-investment	Achieved. Seven films offered production financing: 1. Home By Christmas 2. After The Waterfall 3. Falling Angels 4. Predicament 5. The Volcano 6. Hopes and Dreams 7. Brother Number One
		2. Quality measured against the decision matrix	2. 80 per cent of feature-length films to meet expectations set when the production was greenlit; this target will be assessed by taking the annual average over the 3-year period 06/07 to 08/09	Achieved
		3. Films to reflect cultural diversity of NZ or sense of place	3. All films to reflect NZ culture or interests	Achieved.
		4. Level of participation by Maori measured by annual survey	4. Maintain number of Maori key creatives and support for Te Paepae Ataata	Achieved.
2. To build a talent pathway	2. Funding and professional services to create development opportunities for scriptwriters, directors and producers, and provision of specialist script development services Actual cost: \$4,633,000 Expected cost: \$5,140,000	5. Number of successful short films	5. Funding for 9 short films, with 40% earning selection in A list festivals: this target will be assessed by taking the annual average over the 3-year period 06/07 to 08/09	Achieved. 9 Short film commitments at 30 June 2009 with 14/24 selected for A list festivals: 58%
		6. Number of professional development opportunities	6. Support 10 professional development initiatives in partnership with industry groups and producers	Exceeded. 1. Rob Ritchie – Writing for the Big Screen Workshop w/ Script to Screen. 2. Tom Abrams Mise-en-Scene workshop w/- the Directors Guild. 3. Cinemart in partnership w/- Rotterdam FF, Binger & Screen Australia. 4. No Borders partnership with Film Victoria and the New South Wales FTO. 5. The Business of Development / SPADA 6. WIFT Mentoring 7. Women in the Director's Chair -- Banff Centre 8. SPIF Workshop w/- SPADA 9. ACE [The European Producer's Network] 10. Rewrite Workshop in partnership this year with Screen Australia. 11. Melbourne International Film Festival Accelerator Programme

GOALS	OUTPUTS	Performance measures	TARGETS 08/09	ACHIEVEMENTS 08/09 at 30 June 2009.
3. To maximise the domestic profile of New Zealand feature films and the NZ public's access to them	3. Funding and promotional support for the domestic releases of NZ feature films Actual cost: \$669,000 Expected cost: \$1,027,000	7. Number of feature films with theatrical success in NZ	7. Two feature films every 3 years with NZ cinema audiences in excess of 100,000, and an additional two every 3 years with audiences in excess of 50,000	Achieved. 4 films in 3 years. 06-07: Out of The Blue 118,000; Eagle v Shark 101,000 07-08: 2nd Hand Wedding 188,000 08-09: Topp Twins, 177,000 Achieved. 2 films in 3 years. 06-07: Black Sheep: 72,000. Tattooist: 51,000 07-08. nil. 08-09: nil
		8. Strength of relationships with distributors and exhibitors as shown by NZ market attachments	8. All cinema features to have NZ theatrical market or festival attachment prior to greenlight	Achieved 1. Home By Christmas: Metropolis 2. After The Waterfall: Rialto 3. Falling Angels: Metropolis 4. Predicament: Rialto 5. The Volcano: Transmission 6. Hopes and Dreams: Rialto 7. Brother Number One: Arkles
		9. Visibility of NZ feature films in theatrical marketplace as supported by p&a grants and new distribution support mechanisms	9. Grants for prints and advertising appropriate to each feature film released and least 2 new distribution support mechanisms	Achieved. 6 released theatrically with P&A support: Apron Strings; Rain of the Children; Show of Hands; Rubbings From a Live Man; Dean Spanley; Topp Twins. No new distribution support mechanisms in the period.
		10. Digital feature film restoration scheme	10. Release 20 classic titles on DVD by 30 June 2009	Not achieved: 29 titles remastered in the period. 8 titles released to the public.
4. To maintain a high international profile for New Zealand films and filmmakers	4. Marketing and sales of NZ films at major international markets and festivals Actual cost: \$1,493,000 Expected cost: \$1,467,000	11. New short film website	11. Website developed by 30 June 2009	Not achieved.
		12. Positive feedback on the NZFC sales agency NZ Film as monitored by Sales Agency Advisory Committee	12. Effective launch of each film handled by NZ Film at relevant international markets	Achieved. New features launched at Toronto (Dean Spanley, Apron Strings), AFM (Show of Hands), Berlin/Rotterdam (The Strength of Water), and Cannes (Under the Mountain).
		13. Number of productive relationships with A list festivals	13. 60% of feature films handled by NZ Film to achieve 'A' list festival launch; this target will be assessed by taking the annual average over the 3-year period 06/07 to 08/09.	Achieved.
		14. Number of producers assisted	14. Assistance to enable 12 producers to participate at markets	Achieved. 13 Producers supported. 4 to AFM: Harold Brodie, Rob Rowe, Jason Stutter, Raybon Kan. 3 to SpaaMart: Arani Cuthbert, James Heyward, Leanne Saunders. 1 to 37-South: Catherine Fitzgerald. 5 to Cannes: Richard Fletcher, Robin Murphy, Craig Newland, Robin Laing, Jonathan King,

GOALS	OUTPUTS	Performance measures	TARGETS 08/09	ACHIEVEMENTS 08/09 at 30 June 2009.
5. To maintain strong stakeholder relationships	5. Funding support for infrastructure such as guilds, organizations, film festivals and the NZ Film Archive.	15. Number of joint ventures with guilds, associations, gov't agency partners and the NZ Film Archive	15. At least 5 joint ventures with guilds, associations, film festival and government/agency partners and the NZ Film Archive	Achieved 1. SPADA conference/SPADA 2. Qantas Screen Awards/SDGNZ 3. SPADA Business of Development Seminar/SPADA 4. SPIF SEMINARS/SPADA 5. Tom Abrams/SDGNZ
		16. Efficient communication of information & promotional material	16. Publication of 6 newsletters and regular updating of website	Achieved.
Actual cost: \$1,020,000 Expected cost: \$1,000,000				
6. To maintain standards of good governance, business practise and accountability	6. Efficient and accountable administration of public funding	17. Governance and best practise demonstrated by	17.	
		a. audit report	a. Clean audit report	a. Achieved: October 2008
		b. risk management strategies are effective	b. Annually reviewed risk management strategy demonstrates that strategy is effective	b. Not Achieved. Risk management strategy not reviewed in 2008/09 due to change in CEO and pending changes to Board in the period.
		c. effective operation of Board committees SAAC, F&A, Development)	c. Annual commentary from Board Committee chairs reporting satisfactory performance	c. Achieved
d. government accountability requirements met	d. MCH satisfied NZFC has met reporting requirements	Achieved. Reporting completed August 2009.		
Actual cost: \$2,563,000 Expected cost: \$2,745,000				
		18. Effective administration of LBSPG measured by positive feedback from Exit Surveys and MED	18. Positive response on LBSPG from all exit surveys	Achieved. Film NZ confirms that exit surveys show no issue with administration of LBSPG.
		19. Effective administration of SPIF as monitored by MCH	19. Positive feedback from MCH	Achieved

Audit Report

To the readers of the New Zealand Film Commission's financial statements and statement of service performance for the year ended 30 June 2009

The Auditor-General is the auditor of the New Zealand Film Commission (the Commission). The Auditor-General has appointed me, Leon Pieterse, using the staff and resources of Audit New Zealand, to carry out the audit. The audit covers the financial statements and statement of service performance included in the annual report of the Commission for the year ended 30 June 2009.

Unqualified Opinion

In our opinion:

- The financial statements of the Commission on pages 29 to 47:
 - comply with generally accepted accounting practice in New Zealand; and
 - fairly reflect:
 - the Commission's financial position as at 30 June 2009; and
 - the results of its operations and cash flows for the year ended on that date.
- The statement of service performance of the Commission on pages 48 to 50:
 - complies with generally accepted accounting practice in New Zealand; and
 - fairly reflects for each class of outputs:
 - its standards of delivery performance achieved, as compared with the forecast standards outlined in the statement of forecast service performance adopted at the start of the financial year; and
 - its actual revenue earned and output expenses incurred, as compared with the forecast revenues and output expenses outlined in the statement of forecast service performance adopted at the start of the financial year.

The audit was completed on 31 October 2009, and is the date at which our opinion is expressed.

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

Basis of Opinion

We carried out the audit in accordance with the Auditor-General's Auditing Standards, which incorporate the New Zealand Auditing Standards. We planned and performed the audit to obtain all the information and explanations we considered necessary in order to obtain reasonable assurance that the financial statements and statement of service performance did not have material misstatements, whether caused by fraud or error. Material misstatements are differences or omissions of amounts and disclosures that would affect a reader's overall understanding

of the financial statements and statement of service performance. If we had found material misstatements that were not corrected, we would have referred to them in our opinion. The audit involved performing procedures to test the information presented in the financial statements and statement of service performance. We assessed the results of those procedures in forming our opinion. Audit procedures generally include:

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

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

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

Responsibilities of the Board and the Auditor

The Board is responsible for preparing the financial statements and statement of service performance in accordance with generally accepted accounting practice in New Zealand. The financial statements must fairly reflect the financial position of the Commission as at 30 June 2009 and the results of its operations and cash flows for the year ended on that date. The statement of service performance must fairly reflect, for each class of outputs, the Commission's standards of delivery performance achieved and revenue earned and expenses incurred, as compared with the forecast standards, revenue and expenses adopted at the start of the financial year. The Board's responsibilities arise from the Crown Entities Act 2004 and the New Zealand Film Commission Act 1978.

We are responsible for expressing an independent opinion on the financial statements and statement of service

performance and reporting that opinion to you. This responsibility arises from section 15 of the Public Audit Act 2001 and the Crown Entities Act 2004.

Independence

When carrying out the audit we followed the independence requirements of the Auditor-General, which incorporate the independence requirements of the Institute of Chartered Accountants of New Zealand. Other than the audit, we have no relationship with or interests in the Commission.



Leon Pieterse
 Audit New Zealand
On behalf of the Auditor-General
 Wellington, New Zealand

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

This audit report relates to the financial statements and statement of service performance of the New Zealand Film Commission for the year ended 30 June 2009 included on the New Zealand Film Commission's website. The New Zealand Film Commission's Board is responsible for the maintenance and integrity of the New Zealand Film Commission's website. We have not been engaged to report on the integrity of the New Zealand Film Commission's website. We accept no responsibility for any changes that may have occurred to the financial statements and statement of service performance since they were initially presented on the website.

The audit report refers only to the financial statements and statement of performance named above. It does not provide an opinion on any other information which may have been hyperlinked to or from the financial statements and statement of service performance. If readers of this report are concerned with the inherent risks arising from electronic data communication they should refer to the published hard copy of the audited financial statements and statement of service performance as well as the related audit report dated 31 October 2009 to confirm the information included in the audited financial statements and statement of service performance presented on this website.

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

Appendix

A/ New Feature films with investment from NZFC

Home by Christmas	
After the Waterfall	\$2,555,000
Predicament	\$2,500,000
Hope and Dreams	\$2,550,000
Brother Number One	
Falling Angels	
Boy aka The Volcano	\$250,000

B/Feature films with additional investment from the NZFC

n/a

C/ Digital features with post-production grants from the NZFC

Key:
Production company
Producer(s)
Writer(s)
Director(s) or writer/director(s)

The Map Reader	\$21,265
n/a	
John Davies	
Harold Brodie	
The Art Star and the Sudanese Twins	\$10,000
Pietra BrettKelly	
Pietra BrettKelly	
Pietra BrettKelly	
The Third Richard	\$25,000
Rollover Productions	
Danny Mulheron & Sara Stretton	
Danny Mulheron	
Danny Mulheron & Sara Stretton	
The Devil's Run	\$25,000
Six String Pictures	
Tom Hern	
James Napier Robertson	
Taking the Waewae Express	\$1940
Torchlight Films	
Andrea Bosshard, Shane Loader, Deane Cronin	
Andrea Bosshard, Shane Loader	
Andrea Bosshard, Shane Loader	
No Petrol, No Diesel!	\$15,000
Darkhorse	
Stefen Harris	
Barry Barclay - Camera on the Shore	\$15,000
Anne Keating Agency	
Anne Keating	
Graeme Tuckett	
This Way of Life	\$13,000
Cloud South Film & TV	
Barbara Sumner Burstyn	
Tom Burstyn	
The Man in the Hat	\$13,500
BWX Productions	
Jan Bieringa	
Luit Bieringa	
Lost in Wonderland	\$9,300
Lone Pine Film and TV Productions	
Costa Botes	
Zoe McIntosh	

D/ NZFC development finance for feature film projects

Staff Committee

Beyond the Known World	\$20,000
Reservoir Films	
Matthew Horrocks	
Dianne Taylor	
tbc	
Rockinghorse Road	\$20,000
Great Southern Film & Television	
Angela Littlejohn	
Brian Challis	
Hell for Breakfast	\$12,000 and \$5,402
Gibson Group	
Dave Gibson	
Briar Grace-Smith	
tbc	
Amatu	\$7,500
Headstrong & Butobase	
Glenn Elliott, Leanne Saunders, Ant Timpson	
Matthew Saville	
Marc & Paul Swadel	
Summer Rhapsody	\$20,000
Headstrong	
Leanne Saunders, Ant Timpson	
Stephen Kang	
A Bullet Waits for You	\$12,000
Direct Effect	
Sue Thompson	
Andrew McKenzie	
Mystery Ride	\$6,000 and \$4,000
Firesign	
Michael Wrenn	
Maxine Fleming	
Virginia Heath	
Poppy	\$17,400
Oliver Giles Productions	
Glenis Giles	
Linda Niccol	
The Lazy Boys	\$19,000
Firesign	
Michael Wrenn	
Carl Shuker	
Brendan Donovan	
Gilbert's Trip	\$20,000
Midnight Film Productions	
Sue Rogers	
Jason Stutter	
Land of Tears (aka Wild Pork and Watercress/Puha)	\$20,000
Wild Pork	
Charlie McClellan	
Taika Waititi	
Crime Script	\$12,000
White Balance Pictures	
David White	
Shane Mannell and David White	
Charlie Haskell	
Live Bodies	\$10,000
n/a	
Jonathan Cullinane	
Jonathan Cullinane	

O Le Tulafale aka The Orator	\$25,000
Blueskin Films	
Catherine Fitzgerald	
Tusi Tamasese	
Kinetica aka The Last Saint	\$20,000
Reservoir Films	
Matthew Horrocks	
Rene Naufahu	
Crazy	\$20,000
Great Southern Film & Television	
Rachel Gardner	
Mike Smith	
The Man in the Dark	\$20,000
Isola Productions	
Rachel Jean	
Damon Fepulea'i	
Projector Room	\$19,000
Southern Light Films	
Tim White	
Jesse Warn	
Shopping	\$20,000
Sticky Pictures	
Robin Murphy	
Louis Sutherland and Mark Albiston	
One of Us	\$20,000
Diva Productions	
Arani Cuthbert	
Norelle Scott	
Chris Dudman	
Make a Joyful Noise	\$6,000
Inspire Films	
Catherine Juniot and Kim Baker	
Russel Campbell	
tbc	
There Were Brave Men before Agamemnon	\$20,000
Firesign	
Michael Wrenn	
Dane Giraud	
A Gift to Zion	\$5,000 and \$15,000
Kura Productions	
Quinton Hita	
Tearepa Kahi	
Missu Peace	\$20,000
Albedo Films	
Maile Daugherty and Peter McCully	
Grant Hindin Miller	
tbc	
Long Black Coat	\$20,000
Eek Productions	
Kristian Eek	
Jon Coutts	
tbc	
Responsibility aka Surfacing	\$20,000
Firesign	
Michael Wrenn	
Brendan Donovan and Shane Danielson	
Brendan Donovan	
Criminally Inclined	\$17,000
inKubator	
Paula M Jones	
Mukilan Thangamani and AliAsgar Millwala	
Alex Lee	
Kiwi Flyer	\$17,000
Torrent Films	
Tony Simpson	
Andrew Gunn	
tbc	
Pinewood '85	\$20,000
Chopper Productions	
Michelle Turner	
Ellory Elkayem	
Midnight Golfer	\$20,000
Elevenmedia	
Karl Zohrab	
Luke Hedley and Christopher Nicholls	
tbc	

Fresh As	\$15,000
New Holland Pictures NZ	
Mark Overett and Emma Slade	
Justine and Paul Simeai-Barton	
Justine Simeai-Barton	
The Fox Boy	\$15,000
Kea Films	
Cliff Curtis and Bill Gavin	
Briar Grace-Smith	
tbc	
Silvertops	\$16,500
Inspire Films	
Catherine Juniot and Kim Baker	
Robert Johnson and Christopher Webb	
Louis Sutherland	
KM	\$5,000
Frame Up Films	
Owen Hughes	
Stuart Hoar	
tbc	
One Man and His Dog	\$20,000
Collective Vision	
Zane Holmes	
Vanessa Alexander	
tbc	
Death or Milton	\$10,000
Certain Scenes	
Rhys Cain	
Scott Boswell, Derryn Beath	
Scott Boswell	
Shopping	\$5,000
Five Finger Films	
Robin Murphy	
Louis Sutherland and Mark Albiston	
Almost a Million	\$20,000
Blueskin Films	
Catherine Fitzgerald	
Gillian Ashurst	
This Little Light	\$8,000
New Holland Pictures NZ	
Mark Overett + Angela Littlejohn	
Paula Whetu Jones	
Chief Executive delegations	
A Life in Romance	\$5,000
Ellis Bell Inc	
Tim White and Vanessa Alexander	
Vanessa Alexander	
The Most Fun You Can Have Dying	\$20,000
Chocolate Fish Pictures	
Alex Cole-Baker	
Kirstin Marcon	
Belinda's Notes	\$20,000
MF Films	
Michele Fantl	
Dorthe Scheffmann	
Great War for Civilization (aka Matthew Metcalfe Untitled)	\$20,000
General Film Corporation	
Matthew Metcalfe	
Roger Donaldson and Alan Sharp	
Roger Donaldson	
The Originals	\$9,379
Blindside Productions	
Robin Laing and Sam Neill	
Graeme Tetley	
Mark Joffe	
Fresh As	\$5,000
New Holland Pictures NZ	
Emma Slade and Mark Overett	
Justine and Paul Simeai-Barton	
Justine Simeai-Barton	
Shopping	\$750
Five Finger Films	
Robin Murphy	
Louis Sutherland and Mark Albiston	

Development Committee

Death of a Superhero	\$30,000 and \$40,000
Miracleman Productions Angela Littlejohn Anthony McCarten	
The Beach of Falesa	\$25,132
Escapade Pictures Philippa Campbell Alan Sharp and Toa Fraser Toa Fraser	
The Stragglers aka Now Is the Hour	\$17,000
Nom de Guerre Films Michael Wrenn Jonathan Ogilvie and Robin Neate Jonathan Ogilvie	
Here at the End of the World We Learn to Dance	\$20,000
Deep-Pond Dan Hennah, Barrie Osborne Kathryn Burnett Dan Hennah	
O le Tulafale aka The Orator	\$48,000
Blueskin Films Catherine Fitzgerald Tusi Tamesese	
Two Little Boys	\$30,000
Nightmare Productions Vicky Pope Robert and Duncan Sarkies Robert Sarkies	
Behind the Tattooed Face	\$10,000
Polywood Productions Inc Rena Owen and Gary Hannam Rena Owen and Riwiwa Brown tbc	
Capsized	\$36,000
Making Movies James Heyward Stephanie Johnson Mark Joffe	
Miramar Dog	\$28,000
Miramar Dog Films Robin Murphy and Kerry Robins Nick Ward and Pat Robins Paul Murphy	
The Lazy Boys	\$20,000
Firesign Michael Wrenn and Matt Noonan Carl Shuker Brendan Donovan	
Newland	\$15,000
THE Film Trevor Haysom Jodie Molloy tbc	
Moana	\$20,000
Moana Productions Nik Beachman, Cliff Curtis, Kara Paewai, Merata Mita Sima Urata	
The Cook	\$27,500
Savuti Films Robin Laing, Sue Thompson (EP), Frank Toshack (EP) Charlie McClellan	
Board development decisions	
Marshal	\$16,500
Supercollider Paul Swadel Glenn Standing James Cunningham	
Belinda's Notes	\$47,700
MF Films Michele Fantl Dorthe Scheffmann	
The Most Fun You Can Have Dying	\$18,060
Chocolate Fish Pictures Alex Cole-Baker Kirstin Marcon	

The Great War for Civilisation (aka Matthew Metcalfe Untitled)	\$30,000
General Film Corporation Matthew Metcalfe Roger Donaldson & Matthew Metcalfe Roger Donaldson	
Cousins	\$45,000
Pairama Pictures Limited Rhonda Kite and Robin Laing Patricia Grace Gaylene Preston	
E/ Devolved Development Funds	
South Pacific Pictures (John Barnett)	\$100,000
Desert Road and Everard Films (Steven O'Meagher & Barrie Everard)	\$200,000
Eyeworks Touchdown Films (Robin Scholes and Matthew Metcalfe)	\$200,000
F/ Producer Overhead Funds	
Blondini Brothers (Kerry Robins).....\$50,000 Meridian Film Productions (Robin Laing).....\$50,000 Great Southern Film (Rachel Gardner, Angela Littlejohn).....\$50,000 Headstrong (Leanne Saunders, Ant Timpson) (extension).....\$50,000 Elevenmedia (Karl Zohrab) (extension).....\$50,000	
G/ Writer Awards	
Graeme Tetley.....\$50,000 Shuchi Kothari.....\$50,000	
H/ Producers' market assistance	
37 South Market Melbourne	
Catherine Fitzgerald.....\$2,000	
To the AFM	
Harold Brodie.....\$2,000 Raybon Kan.....\$4,530 Robert Rowe.....\$2,000 Sue Thompson.....\$5,000	
To Cannes	
Craig Newland.....\$7,500 Jonathan King.....\$5,000 Richard Fletcher.....\$7,500 Robin Laing.....\$7,500 Robin Murphy.....\$7,500	
To Montreal	
Angela Littlejohn.....\$5,000	
To Berlin	
Fiona Copland.....\$5,000	
To Toronto	
Rachel Gardner.....\$5,000	
I/ Festival travel assistance for feature film directors	
J/ Festival travel assistance for short film makers	
Michelle Savill - Betty Banned Sweets..... Clermont-Ferrand.....\$5,000 Adam Strange - Aphrodite's Farm Berlin\$5,000 Anzak Tindall - Aphrodite's Farm..... Berlin\$5,000 Wiremu Grace - Kehua Berlin\$5,000 Wendy Cuthbert - The Six Dollar Fifty Man Cannes\$5,000 Mark Albiston - The Six Dollar Fifty Man..... Cannes\$5,000 Louis Sutherland - The Six Dollar Fifty Man..... Cannes\$5,000 Rachel Lorimer - This Is Her..... Sundance\$5,000 Katie Wolfe - This Is Her..... Sundance\$5,000 Jason Stutter - Careful with that Axe AFI (Edinburgh/Valladolid/ Melbourne).....\$5,000 Katie Wolfe - This Is Her..... Telluride & New York \$5,000 Jochen Fitzherbert - Bridge Valladolid \$4,935.53	
K/ Short Film projects with production finance from the NZFC	
Executive Producers	
Big Shorts - Rob Sarkies and Vicky Pope	
Hitched	\$100,000
Producers: Rachel Lorimer, Felicity Letcher Director: Katie Wolfe Writer: Branwen Millar	
Meathead	\$100,000
Producer: Robin Scholes Director/writer: Sam Holst	

Amadi	\$100,000
Producer: Owen Hughes Director/writer: Zia Mandviwalla	
Executive Producers	
Kura Shorts- Quinton Hita and Tearepa Kahi	
The Winter Boy	\$100,000
Producer: Hineani Melbourne Director: Rachel House Writer: Kylie Meehan	
The Medal	\$100,000
Producer: Carne Bidwill Director: James Barr Writer: Simon Paniora	
Kui's Leg	conditional offer at balance date
Producer: Chelsea Winstanley Director: Tim Worrall Writer: Paora Te Oti Takarangi Joseph Executive Producers Robbers Dog Shorts- Kristian Eek, Mark Foster and Adam Stevens	
Monifa	\$100,000
Producer: Anna Stuart Writer/director: Luke Savage	
Bird	\$100,000
Producer: Rachel Gardner Director: Jane Shearer Writers: Greg King, Jane Shearer and Steve Ayson	
Little Angel (aka Sweetness)	\$100,000
Producer: Annelise Yarell Writer/Director: Suzi Jowsey-Featherstone	
L/ Grants from Screen Innovation Production Fund (a joint venture between the NZFC and Creative New Zealand)	
Tom Reilly.....travel grant.....\$4,580 Daniel Belton.....travel grant.....\$5,000 Albedo VFX.....short film.....\$15,000 Rodney Bridgeman/Lloyd Davis.....two experimental short films.....\$3,960 Wiebke Hendry.....documentary.....\$14,645 Michael Donovan.....short film.....\$19,965 Alyx Duncan.....experimental documentary.....\$17,905 Thomas Gleeson.....short documentary.....\$9,000 Dean Hapeta.....rapumentary.....\$12,000 Julie Hill.....documentary.....\$18,370 Damon Keen.....short film.....\$14,050 Popo Lilo.....short film.....\$25,000 Kirsty MacDonald.....post production documentary...\$11,500 Jim Marbrook.....documentary.....\$24,900 Octopus Pictures/Alexandra Porter .documentary.....\$25,000 Rick Harvie.....short film.....\$24,950 Paul Wedel.....experimental short film.....\$5,770 Whaiora.....digital feature.....\$16,560 Greta Anderson.....short film.....\$20,000 Daniel Belton.....short animated film.....\$20,050 Costa Botes.....feature length documentary.....\$7,000 Rodney Bridgman.....video art project.....\$6,567 Kirsty Cameron.....short film.....\$9,000 Community Media Trust/ Rangimoana Taylor.....digital feature.....\$25,000 Godzone Picture.....feature film.....\$25,000 James Hanline.....short film.....\$15,000 Isola Productions.....short film.....\$25,000 Jamie Lawrence.....short film.....\$20,000 On The Level Productions/Lyn Colliefeature documentary.....\$13,000 Michelle Savill.....short film.....\$25,000 Paul Scott-James.....short film.....\$14,600 Sally Tran.....experimental documentary.....\$15,000 Gabriel White.....online audio visual project.....\$7,879 Errol Wright.....feature documentary.....\$23,495	
M/ Professional development	
NZFC initiatives	
Eurista Tasmania\$35,582 Accelerator, Melbourne.....\$16,476 1st Writers Initiative.....\$51,538 No Borders partnership.....\$21,948 'Smashing the Window' distribution seminar.....\$36,266 Binger Film Lab script development programme.....\$20,000 eQuinox, Germany.....\$8,263 SPAAmart.....\$39,212	

IndiVision.....	\$26,648
Women in the Director's Chair.....	\$21,693
CineMart & Rotterdam Lab.....	\$55,773
Berlin Talent Campus.....	\$6,000
Wowing the Buyers distribution seminar.....	\$30,109
ACE	\$18,899
Rewrite Workshop	\$37,496
Rob Ritchie 'Writing for the Big Screen' workshop.....	\$8,708
Joint initiatives	
Tom Abrams mise en scene workshop.....	\$33,415
Eurista 'Business of Development' seminar.....	\$18,600
Te Paepae Ataata Writers' Hui	\$23,300
WIFT mentorship.....	\$9,260

N/ Industry Infrastructure support

Film NZ.....	\$40,000
New Zealand Film Archive	\$210,000
Nga Aho Whakaari	\$55,000
NZ Writers Guild.....	\$75,000
NZF&VTG.....	\$20,000
Script to Screen.....	\$108,000
SDGNZ	\$95,000
SPADA	\$90,000
WIFT NZ.....	\$55,000
48 Hour Film Festival	\$15,000
New Zealand International Film Festival	\$75,000
New Zealand Screen Awards.....	\$50,000
NZ Federation of Film Societies.....	\$15,000
Show Me Shorts Film Festival.....	\$5,000
Wairoa Maori Film Festival	\$20,000

O/New Zealand theatrical distribution support

Rialto for Apron Strings.....	\$46,119
Rialto for Rain of the Children.....	\$37,385
Rialto for Show of Hands	\$78,452
Arkles for Rubbings from a Live Man	\$5,000
Paramount for Dean Spanley.....	\$101,862
Rialto for Topp Twins : Untouchable Girls	\$101,855
Hoyts for Separation City	\$88,801

P/ Certification as New Zealand film for purposes of the Income Tax Act

Final	
Second Hand Wedding 35mm feature film Garage Sales Productions Ltd	
Waiting for You Digital feature film Dube Film Production Ltd	

Q/Productions certified as official co-productions

Final	
Dean Spanley 35mm feature film General Film Corporation (Two Dogs) Ltd Official co-production between New Zealand and United Kingdom	
Time Trackers Television series - 13 half hour episodes The Gibson Group Ltd Official co-production between New Zealand and Australia	

Emilie Richards: Tales of the South Pacific	
(1) Longing for New Zealand	
(2) Paradise	
Two telemovies GFC (Germany) Ltd Official co-production between New Zealand and Germany	

Provisional	
Emilie Richards: Tales of the South Pacific	
(1) Longing for New Zealand	
(2) Paradise	
Two telemovies GFC (Germany) Ltd Official co-production between New Zealand and Germany	

NZFC operational units and staff as at 30 June 2009

Corporate

Graeme Mason	Chief Executive
Mladen Ivancic	Deputy Chief Executive
Sarah Cull	Head of Business Affairs
James Thompson	Business Affairs Executive
Erin Banks	Business Affairs Assistant
Shane Green	Executive Manager and assistant to the Chief Executive
Prue Clark	Receptionist/Development Assistant
Janka Palinkas	Accountant
Lauren Granshaw	Accounts Assistant
Dominique Fromont	Film Income Manager

Production and development

Marilyn Milgrom	Head of Development
Paul Swadel	Development Executive
Hone Kouka	Development Executive
Jeremy Macey	Development Coordinator

Marketing and sales

Kathleen Drumm	Head of Sales and Marketing
Jasmin McSweeney	Marketing Executive
Daniel Story	Distribution Manager
Sophie Cherry	Distribution Assistant (temp)
Juliette Veber	Short Film Manager
Lucy Cleary	Short Film Assistant

Consultants

Henrietta Hall	ICT Consultant
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www.nzfilm.co.nz

PO Box 11-546, Wellington. Tel 04 382 7680.

