



Tūruki, Tūruki!
Paneke, Paneke!

Pūrongo-ā-tau
Annual Report 2008

MĀORI
TELEVISION



Annual Report of Māori Television for the year ended 30 June 2008

Presented to the House of Representatives pursuant to section 44(2) of the Māori Television Service (Te Aratuku Whakaata Irirangi Māori) Act 2003.

The Ministers of Māori Affairs and Finance

In accordance with section 44(2) of the Māori Television Service (Te Aratuku Whakaata Irirangi Māori) Act 2003 I present, on behalf of the Māori Television Board, the Annual Report on the operations of Māori Television for the year ended 30 June 2008.



Garry Muriwai
Chairman

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MĀORI
TELEVISION

Ngā pūtake o te pūrongo a te Heamana

Tēnā koutou me o tātou tini mate kua mene atu ki te pō. Haere rā, hoki atu rā koutou ki te ao wairua ki te huinga o te kahurangi. Kia tātou te hunga ora, tēnā tātou katoa.

I roto i ngā tau 2007-2008 i kitea te angitūtanga o Whakaata Māori puta noa i te motu me te ao hoki. I taua wā 37 orau te maha ake o ngā kaimātakitaki tapeke ia Whakaata Māori ia marama, i whakamānuhia te teihana tuarua hei teihana pāpāho-maha, me te whakatū i te Hui Pāpāho tuatahi a ngā Iwi Taketake o te Ao (WITBC '08). I eke panuku ēnei katoa i runga anō i te hāngai pū ki te kaupapa i oatihia ā ture me te eke anō ki tā te kaimātaki e manako ana, me te whakatairanga i te reo me ngā tikanga Māori.

Ngā pūāwaitanga matua mo te tau:

- Te whakamānutanga o te teihana hou, Te Reo, e whakapāhohia atu ana i roto i te reo Māori anake.
- He maha ake te reo Māori e pāhohia ana i ngā haoramatua. 100 orau te maha o te reo Māori kei ngā whakaaturanga a Whakaata Māori me Te Reo mo ngā haora e whitu ia rā o te wiki. Kua kitea 56 orau te reo Māori puta noa i te wātaka whānui a Whakaata Māori.
- Ko te whakatūtanga i te hui WITBC '08 me te whakamānutanga i te taura hono – Te Hononga Kaipāpāho Pouaka Whakaata o ngā Iwi Taketake o te Ao (WITBN). Otirā na te kakama o Whakaata Māori ka whakatūhia e ia tēnei hononga.
- He tau anō tēnei i puta pai atu ai ngā hōtaka pēnei i a Waitangi me

ANZAC, Te Whakamaharatanga 30 tau mo Bastion Point, me ngā tūmomo hōtaka hākinakina pēnei i te riiki, te mekemeke, te poiuka, te poi-pātū, te waka ama me te poitūkohu.

- 87 orau ngā hōtaka no te wā kāinga.
- Kua piki ake ngā haora pāho o Whakaata Māori ki te 3,500 haora mo ngā hōtaka kei roto i te reo Māori me te reo Pākehā, mai i te 3,335. I te taenga mai o Te Reo ka kitea 295 te maha ake o ngā haora pāho i taea, otirā ko te huinga o ngā haora pāho katoa o ngā teihana e rua 3, 827. I te 2008-2009, neke atu i te 4,300 ngā haora pāho ka taea e ngā teihana e rua.
- Neke atu i te 1.5 miriona o ngā iwi o Aotearoa e hono mai ana ki a Whakaata Māori ia marama.
- Na te pā taikaha tonuhia o ngā whakahaerenga pūtea, i toe ai he tahua i te mutunga o te tau 2007-2008, otirā koinei te āhua ia tau mai i te mānutanga o Whakaata Māori.
- Na te kaha o te pūtea hoko i tino ahu whakamua ai te tahua i te mutunga o te tau.
- I whakamānuhia te kaupapa whakangungu kaiārahi a Whakaata Māori kia pakari ai ngā pūkenga kaiārahi o te teihana.

Tino autaia te pakaritanga ake o Whakaata Māori i roto i ngā tau e whā ki muri. Ko te arotahi mo ngā tau e rua kei mua i te aroaro ko te whakatōpū i ngā hua me ngā painga. He ahunga

rautaki tēnei ka hāngai ki te kōrero 'Whakarei, Whakarahi, Whakawhānui ki te Ao' (tirohia te whārangi 11).

He hōnore nui ki au te tū hei heamana mo Whakaata Māori i roto i taku tau tuatahi. Ka mihi atu hoki ki a Wayne Walden mo tana whakapau kaha, tae atu ki ngā mema o te Poari. Pērā anō te mihi ki o tātou kaitautoko whakatakotoranga, a Te Pūtahi Paoho me te Karauna. Ko ngā hua kua puta me te anga whakamua, tae atu ki te tipuranga whānui i roto i tēnei wā e tohu ana i te māiatanga o ngā kaiwhakahaere me ngā kaimahi. E kore hoki e ea ngā manaakitanga me ngā kupu whakaaronui a ngā pakeke o te Kaunihera Kaumātua o Whakaata Māori.

Kāti ake i konei, ko te mea nui kia tau te rongo, kia tau te āiotanga puta noa i te motu whānui.

Garry Muriwai
Heamana

Chairman's Review

Tēnā koutou me o tātou tini mate kua mene atu ki te pō. Haere rā, hoki atu rā koutou ki te ao wairua ki te huinga o te kahurangi. Kia tātou te hunga ora, tēnā tātou katoa.

The 2007-2008 year has seen Māori Television achieve a range of notable milestones, both nationally and internationally. During the period under review Māori Television has grown its average monthly cumulative audience by 37 percent, launched a second channel to become a multi-channel broadcaster, and hosted the inaugural World Indigenous Television Broadcasting Conference (WITBC '08). These have been achieved whilst maintaining clear focus on ensuring delivery to legislative responsibilities and audience expectations, and the promotion of reo and tikanga Māori.

After just four years on air, Māori Television is achieving a level of growth and performance that is particularly pleasing. As the incoming Chairman, it is my pleasure to document and report on yet another strong year of performance by this country's national indigenous broadcaster.

Committed to Te Reo Māori

The launch of a second channel dedicated to broadcasting only in te reo Māori was one of this organisation's proudest moments. The channel, which has been named Te Reo, was launched on March 28 2008, an auspicious date for it marked the fourth anniversary of the launch of Māori Television. Te Reo has been developed as a strategy to further enhance the profile and status of te reo Māori and caters to the specific needs of our core audience, those

being fluent Māori language speakers and second language learners.

The development of a two-channel strategy has resulted in more Māori language on air, particularly during primetime. Combined, the channels are delivering 100 percent Māori language programming for an unprecedented seven hours every week day. The Māori Television channel has recorded a reo Māori percentage across its entire schedule of 56 percent.

Te Reo is further tangible evidence of Māori Television's commitment to achieving the goals of the Māori Language Strategy. This new channel, together with the existing channel, ensures that the organisation is fully meeting its statutory obligation to promote and revitalise reo and tikanga Māori. We recognise that the development of a new channel and its schedule is a long-term project and, as a broadcaster committed to achieving excellence we are resolute in ensuring the ongoing development of Te Reo.

Safeguarding Our Language and Culture

Māori Television was privileged to host the World Indigenous Television Broadcasting Conference (WITBC '08) in March 2008. The conference was initiated by Māori Television primarily as a means to identify benchmarking standards for indigenous broadcasters and to unite indigenous broadcasters for the first time.

The theme, 'Reclaiming Our Future', related specifically to our obligations and responsibilities as indigenous broadcasters to safeguard and

develop our unique languages and cultures. Accordingly, our vision for the conference was that it would become a permanent, international event that would unify, strengthen and promote indigenous broadcasters throughout the world. Māori Television believes that this vision has been effectively shared with all attendees and we are now united in our commitment to meet at least every two years to review our collective progress and plan for the challenges ahead.

A key outcome of WITBC '08 was the launch of a global alliance – the World Indigenous Television Broadcasters Network (WITBN). Māori Television has taken a leadership role in the establishment of the network which is aimed at developing collaborative relationships between broadcasters in order to increase audience, provide better access to resources, transfer and share knowledge and strategy, and provide strategic international leadership. Māori Television has been appointed the secretariat organisation for the network until WITBC 2010 and is undertaking the chairmanship role. Both the conference and now the network support Māori Television's vision to be a world-class indigenous broadcaster.

Broadcasting Year in Review

The 2007-2008 year saw Māori Television reaffirm its role as a complementary public service broadcaster. With 87 percent local content, Māori Television is providing New Zealanders with a menu and level of locally made programmes that would not otherwise be available.

Highlights 2007-2008

Launch of second channel, Te Reo – Aotearoa-NZ's first 100% reo Māori television channel

1.5 million New Zealanders watching every month

Of all programmes screened over the past year **87% are locally made**

Māori Television hosts the inaugural World Indigenous Television Broadcasting Conference, WITBC '08

Winner, Best Reality (format), Qantas Television Awards: *Marae DIY*. *Native Affairs* finalist in Best Current Affairs Programme category

Total broadcast, 2007-2008: **3,827 hours**

Sales revenue \$1,605,000 – up 80%

Surplus FY08 \$2.9 million

Programming highlights during the period have included all-day coverage of New Zealand's national day, Waitangi Day, for the second consecutive year; a third all-day ANZAC broadcast which again attracted widespread public and critical acclaim; a Bastion Point 30th commemorative special; and a diverse range of sports including rugby league, boxing, softball, squash, waka ama and basketball – all delivered free-to-air. I am also pleased to note that Māori Television's community renovation and landscaping show – *Marae DIY* – took top honours at the Qantas Television Awards 2007, winning Best Reality (format), and that current affairs programme, *Native Affairs*, was nominated as a finalist for Best Current Affairs Programme in just its first year of production.

In 2007-2008, Māori Television increased its broadcast hours to more than 3,500 hours of programming in both reo Māori and English, up from 3,335. The arrival of Te Reo saw a further 295 broadcast hours achieved, for total broadcast hours by both channels of 3,827. In 2008-2009, both channels will achieve total broadcast hours of more than 4,300.

It is especially pleasing to note the continued positive trend in audience growth. More than 1.5 million New Zealanders now tune in to Māori Television every month. Notable milestones included the ANZAC Day 2008 broadcast which recorded an 11 percent increase in cumulative audience on the previous year, and boxer Shane Cameron's fight in June 2008 which contributed to the achievement of our highest daily cumulative audience to date.

Our record of performance as a prudent and fiscally responsible organisation is important to us. Māori Television has continued with its stringent approach to financial management, ending the 2007-2008 financial year with a surplus, a result that has been achieved consistently every year since Māori Television launched.

The past two years have seen solid growth in sales revenue with the 2007-2008 year ending significantly ahead of budget. While sales revenue is not a legislative obligation we will continue to leverage this opportunity, at an appropriate level, and look forward to further growth in this area.

Strategy

Television and other technological developments are having significant impacts on traditional methods of broadcasting. The proliferation of digital television channels, internet broadcasting developments and a raft of other new technologies are giving audiences more and more information and entertainment options to choose from. Māori Television supports the view that for broadcasters to counter the impact of fragmenting audiences, embracing these new technologies is imperative.

Our approach is to aim for Māori Television to be available on every viable platform. Stages one and two of our plan to develop digital capability have been implemented and the launch of Te Reo, plus the presence of both channels on the Freeview platform, are direct results of this strategy. Implementation of this plan continues, as does ongoing monitoring of technology developments that will

enable the dissemination of Māori language and culture programmes to as wide an audience as possible.

Māori Television has undergone significant growth over the past four years. This level of growth has been aimed at firmly embedding the organisation within the broadcasting landscape of Aotearoa New Zealand. With that achieved, our focus for the next two years will be on consolidating the rapid growth and gains achieved. The strategic direction for the forthcoming period is best summarised in the term 'Enhance, Expand and Internationalise', and more detail on this can be found in the Strategic Direction section on page 11 of this report.

Taking Care of the Future

We recognise that this organisation's future relies heavily on the quality of its leadership. A strategic priority for the foreseeable future is the development of leadership within Māori Television. To that end, an additional and important initiative recently launched is the Māori Television Leadership Development Programme. A comprehensive and targeted skills development programme, this initiative will involve all management staff as well as a group of staff who have been identified as potential future leaders. The critical nature of this initiative ensures that it will receive full commitment and support.

Ongoing and future success also requires that as an organisation we are fit for the future. The legislation governing Māori Television is currently under review and we are working closely with the review panel in order to ensure this organisation retains its

independence, which we believe to be paramount to its success, and is well-equipped for the development opportunities that lie ahead.

Ngā Mihi

I have been honoured to serve my first year as Chairman of Māori Television.

My assumption of this role has followed the four year tenure of Wayne Walden ONZM. Wayne's governance leadership of Māori Television during its infancy years has been exemplary and I acknowledge the strong contribution that he has made to advance the kaupapa of this very important organisation. We are fortunate that Wayne remains a director of the Board.

I also acknowledge the contribution of my fellow Board members. A successful organisation relies on a committed, robust and supportive Board and I extend my personal thanks to the Board for its hard work and support.

Equally, I take this opportunity to recognise and commend both our reporting stakeholders, Te Pūtahi Paoho and the Crown, whose consistent and positive support has been a key factor in progress achieved during the 2007-2008 year. Indeed, Māori Television has been heartened by the widespread support across the political spectrum that the organisation now receives.

Our achievements and the progress and overall growth over this period are testament to the commitment, passion and dedication of management and staff. We are also indebted to the guidance and wisdom of Māori

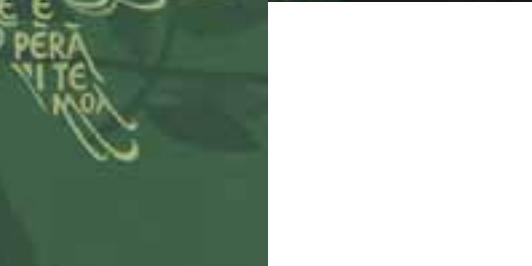
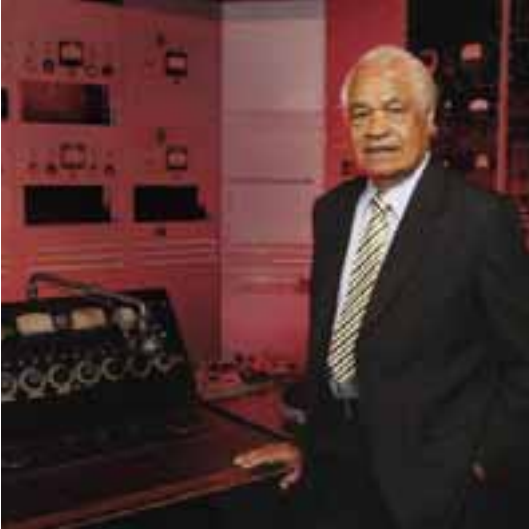
Television's council of elders, Kaunihera Kaumātua, which continues to provide advice on matters of tikanga, kaupapa and kawa.

To conclude, the achievements of 2007-2008 demonstrate the potential of this organisation. We will continue to strive to make our contribution to the revitalisation and normalisation of our taonga, te reo me ona tikanga Māori, and to do so in a way that acknowledges the unique and integral place of Māori culture as part of the wider New Zealand culture, and which promotes a sense of nationhood for us all.

Kāti ake i konei, ko te mea nui kia tau te rongo, kia tau te āiotanga puta noa i te motu whānui.



Garry Muriwai
Chairman



Ngā pūtake o te pūrongo a te Tāhūhū Rangapū

Tēnā koutou i roto i ngā āhuatanga o te wā. Ka mihi hoki ki o tātau aitua maha e ngapu nei te whenua i to rātau hinatanga. Me kii na koutou i tangi mai ngā mate o tēnā moka, na mātau i tangi ngā mate o tēnei moka. Tēnā tātau katoa.

I roto i tēnei ahumahi kei te ora tātau na te mārāma o te rautaki mahere i whakatauhia e te Poari, te hāngai o ngā whakahaerenga mahere a ngā kaiwhakahaere me ngā kaimahi, tae atu ki te āwhina kaha mai o ngā kaitautoko matua. Heoi, ko te mea nui, he kaupapa anō kua whiria kia hono mai ai a Ngai Māori me ngā kaimātaki katoa ki a Whakaata Māori, inā hoki e kaha nei tātau kia angitū te taha ki o tātau tikanga me te whakahau arumoni.

I te tau kua pahure ake nei he angaanga whakamua tino hirahira i matakitehia ai kia ū tātau hei pourewa pāpāho taketake kei ngā taumata o te ao, ma te whakatū i te Hui a Ngā Pourewa Pāpāho Iwi Taketake o te Ao, me te whakaaro rangatira ki te whakatū i te kāhui kaipāpāho whakaata iwi taketake o te ao. Ma tēnei ka puta ngā hua pēnei i te tohatoha i ngā pūrongo me ngā whakaaturanga a ngā iwi taketake, me te whakawhitiwhiti kaimahi kia whakangunguhia.

I ngā tau e whā e pakari haere ake ana i roto anō i nga uauatanga o te tiimatanga kia tuu hei aumahi whakaata teihana-maha, me te whakamānutanga o te teihana reo Māori anake a Te Reo i te rā whakanui mo te tau tuawhā, he tika tonu kia whakatauhia he wā whakatōpū, whakapai ake hoki i te aumahi. Ko tēnei wāhanga e whai ake nei mo te whanaketanga, e kiia nei ko te 'Whakarei, Whakarahi me te Whakawhānui ki te Ao', ma tēnei ka mārō te whakatōpūtanga.

Na te whakatinana a Whakaata Māori i āna mahere rautaki, ka utaina he tino take ki runga i ngā koromaki a te aumahi arā, ko era koromaki e here ana i a tātau mahi, a tātau whakatau me a tātau mahi ā kaimahi nei, kaimahi kirimana, ngā mema o te poari me ngā kaumātua o Whakaata Māori. I te mutunga, ko te pūtake o nga koromaki me ngā tikanga kua whakamāramahia pēnei:

Kia tika Kia ngaio, kia mau ki ngā taumata tiketike.

Kia pono Kia pono, kia tika, kia ngākau tapatahi.

Kia aroha Kia mataara, kia whakaaro nui ki tētahi atu.

Kia Māori Kia mau kia ū ki te hōhonutanga o ngā tikanga Māori.

Ma ēnei tikanga koromaki māmā e kākahu te wairua hei whakaora, whakakaha, whakahāngai hoki i te reo Māori me ngā tikanga.

Ka haere tonu te tohe kia eke te kounga o te reo Māori e whakamahia ana, te kounga o ngā hōtaka e pāhohia atu ana, me te kounga o a tātau kaimahi. Kia mau tonu ai te angitūtanga ka whirinaki tātau ki te wātaka hōtaka tino mātau, tino pakari hoki, ki ngā whakaritenga me ngā hangarau tohungatanga, me te pupuri i te wairua o ngā kaimātaki me te whakamārama he aha ngā kaupapa o a tātau teihana, otirā me te māia, te tōtika hoki o ngā whakahaerenga umanga katoa.

Ma te ū tonu ki ngā taumata tiketike ka whakahautia a tātau kaimahi katoa kia kaha te whakapakari i o rātau pūkenga, me taku koa hoki ki te mahi me o tātau roopu kaiārahi me ngā kaiārahi mo

āpōpō, i a tātau e whakatinana nei i ta tātau kaupapa nui o rō-whare arā, te whakangungu kaiārahi.

Inā kua whakaputaina anō te angitūtanga o ngā whakahaerenga tahua mo tēnei tau i te kake ake o te pūtea hokohoko ki te 80% me te nuinga atu i toe arā, \$2.9 miriona, e whanake tonu ana to tātau ranongahia hei aumahi tūpatō, haepapa ā tahua kāwana hoki. I te mutunga mai ka arotakehia a tātau mahi ma te tū māia hei aumahi e hāpai ana i te reo me ngā tikanga Māori, e kaingākauhia ana, e manaakihia ana, e kōrerohia ana hoki.

Ma ngā tāngata tonu o tētahi aumahi e whakatau mena ka angitū rātau ka aha rānei. Na tērā, kei te pai rawa atu te noho a Whakaata Māori. Ka nui hoki aku mihi mo ngā āwhina atawhai a ngā kaitautoko matua mo te whanaketanga o Whakaata Māori; to tātau Kaunihera Kaumātua, ngā mema o Te Pūtahi Paoho, o tātau Minita haepapa, Te Māngai Pāho, me ngā kaihanganga hōtaka o te hāpori.

No reira e te whānau kia kaha i roto i ngā mahi ahakoa ngā angitūtanga o tēnei tau, kia mahara ake ki te whakatauki nei; 'Ko te manu kai i te miro nōna te ngahere, ko te manu kai i te mātauranga nōna te ao'.

Jim Mather
Tāhūhū Rangapū

Chief Executive's Report

Tēnā koutou i roto i ngā āhuatanga o te wā. Ka mihi hoki ki o tātau aitua maha e ngapu nei te whenua i to rātau hinatanga. Me kii na koutou i tangi mai ngā mate o tēnā moka, na mātau i tangi ngā mate o tēnei moka. Tēnā tātau katoa.

The Chairman's Review summarises the range of significant developments achieved by Māori Television over the last financial year. As an organisation we are benefiting from clear strategic direction set by the Board, effective strategy implementation by management and staff, as well as strong support from a range of key stakeholders such as our Kaunihera Kaumātua (elders council). However, most importantly, we are giving Māori and all other viewers compelling reasons to tune into Māori Television as we continue to successfully align our cultural and commercial imperatives.

Strategy Implementation

Over the last year we have made credible progress towards our vision of being a world-class indigenous broadcaster, through our hosting of the inaugural World Indigenous Television Broadcasting Conference and subsequent leadership of the resultant network of indigenous television broadcasters. This internationalisation of Māori Television will provide many benefits ranging from global indigenous news and programme sharing arrangements through to staff exchanges and training opportunities. All of which will contribute greatly to our on-going mission of being 'an independent, secure and successful Māori television broadcaster that makes a significant

contribution to the revitalisation of te reo and tikanga Māori'.

Having developed over a four year period through a challenging start-up phase to being a multi-channel television organisation, with the launch of the 100 percent Māori language Te Reo channel on our fourth anniversary, it was inevitable that a period of consolidation and further enhancement of our operations would be planned. This next phase in our development, termed 'Enhance, Expand and Internationalise', provides a solid platform for consolidation of our rapid growth to date, as well as further scope to unleash the creativity within our organisation and our independent production community. We welcome this next period as a very important opportunity to reassess, refine and ultimately prepare this organisation to ensure that it is equipped and ready for a long, successful and rewarding future.

Ngā Tikanga o Whakaata Māori

An organisation striving for success is not only defined by 'what' is achieved, but also 'how' it is achieved. As Māori Television has pragmatically implemented its strategic plans, emphasis has also been placed on our organisational values, i.e. those values that underpin our work, our decisions and actions as staff, contractors, board members and kaumātua of Māori Television. As a result, the basis of our values or tikanga has been defined as:

Kia tika Be professional and maintain high standards.

Kia pono Be truthful, honest and act with integrity.

Kia aroha Be respectful and demonstrate empathy.

Kia Māori Maintain and uphold core Māori values.

This simple code of values has been agreed at all levels within our organisation and will enhance our core essence which is to revitalise, strengthen and normalise the Māori language and culture.

A Culture of Excellence

Our commitment to attainment of excellence has been a constant theme during our relatively short on-air history. As an aspirational organisation we continue to promote, pursue and measure excellence in all activities that we undertake. On-going emphasis will continue to be specifically placed upon the quality of Māori language utilised, the quality of programmes broadcast, and the quality of our people.

High quality Māori language and programming is a constant reflection of the quality of our people within our organisation. To that end, significant investment will continue to be made in developing journalistic and technical craft skills.

However, our focus on excellence extends across the entire organisation. To maintain and continue our success we rely upon the development of an insightful and robust schedule, operational and technological expertise, engaged viewers and a high level of awareness of what our channels have to offer, as well as an efficient and effective overall business performance. In continuing to strive for excellence we encourage all our people to ensure

they are continually developing skills, and I look forward to working with our team of current and future leaders as we implement our important in-house Leadership Development Programme.

The Future

Having reported another successful year of financial results with an 80 percent increase in sales revenue and a surplus of \$2.9 million, our reputation as a prudent and fiscally responsible organisation continues to develop. This solid financial foundation provides the basis and certainty to plan for the future. As a founding stakeholder, we will continue to be a contributor to the Freeview consortium. We will explore and develop relevant new technologies, in particular Web TV broadcasting and an enhanced internet presence. Yet, at all times, we will continue to ensure that we are a customer-oriented organisation, broadcasting programmes that exceed the expectations of our viewers, whilst fulfilling our statutory and moral obligations to the revitalisation of the Māori language and culture.

Ultimately our future performance will be measured by our effectiveness as an organisation that makes a significant contribution to te reo and tikanga Māori being increasingly valued, embraced and spoken.

He Tāngata, He Tāngata

It is the people of any organisation who determine its success or otherwise. In that regard, Māori Television is very well placed. We have a unique spirit of commitment shared by all staff, management and Board members

to ensure that we, as kaitiaki of this taonga, fulfil the dreams and aspirations of those who were at the forefront of the establishment of Māori Television. Those leaders, both Māori and Pākehā, clearly identified the importance of television for the survival and resurgence of our indigenous language and culture.

For the majority of our staff who have Māori ancestry, we inherently understand the honour and privilege of being able to contribute to the ongoing development of Māori Television. Being part of a high-profile organisation that can project positive and balanced images and stories of Māori development, is a special opportunity that requires a strong sense of responsibility.

I also acknowledge the members of our staff who are not of Māori descent, yet contribute important skills and competencies that are critical to successfully operating a complex television organisation. It is encouraging to receive their unrelenting support and commitment to this cause.

In closing, I further acknowledge the special contribution made by all key stakeholders in the development of Māori Television; our Kaunihera Kaumātua, the members of Te Pūtahi Paoho, our Responsible Ministers, Te Māngai Pāho and our passionate, hard working independent production community.

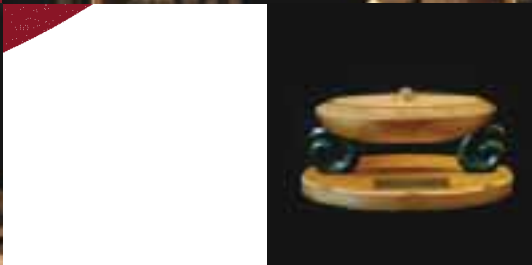
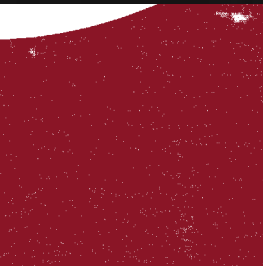
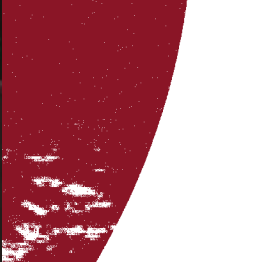
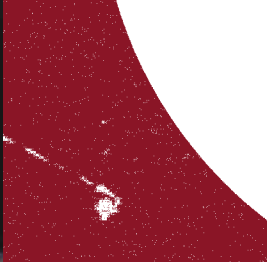
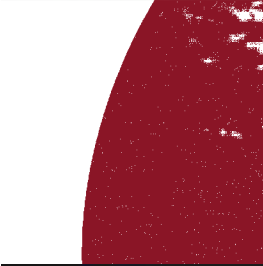
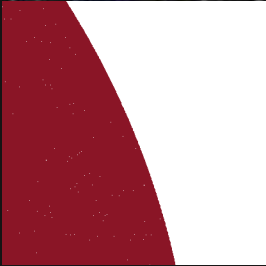
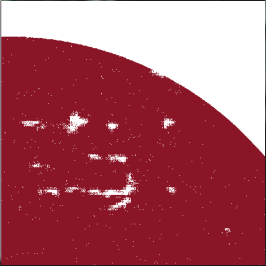
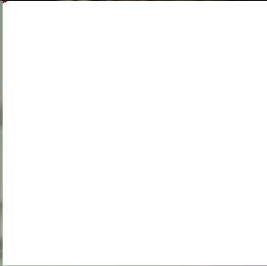
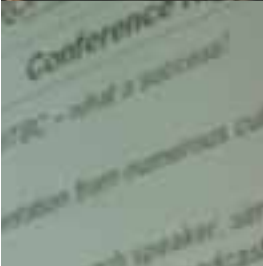
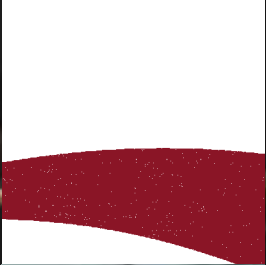
Finally, gratitude is extended to our viewers who connect with Māori Television and include our programming amongst the many and varied choices available to them. In doing so, we trust that our high local

content and unique reflection of who we are as Māori and New Zealanders, genuinely enriches our society, culture and heritage.

No reira e te whānau kia kaha i roto i ngā mahi ahakoa ngā angitūtanga o tēnei tau, kia mahara ake ki te whakatauki nei; 'Ko te manu kai i te miro nōna te ngahere, ko te manu kai i te mātauranga nōna te ao'.



Jim Mather
Chief Executive



Strategic Direction

This section details the strategic direction for Māori Television over the next three years as the organisation continues its development as a professional, well established and successful indigenous broadcaster that promotes te reo and tikanga Māori, and which strives for quality, innovation and excellence.

The long-term objectives and strategic priorities outlined below have been previously developed for Māori Television. These goals have been reviewed to ensure that they remain pertinent for the organisation and their continuing relevance is a clear indication that the strategic direction of Māori Television is appropriate, sound and forward-focused.

VISION

Whakaata Māori, hē pourewa pāpāho taketake kei ngā taumata o te ao.

Māori Television is a world-class indigenous broadcaster.

MISSION

Ki te whakapau kaha ki te whakaora i te reo Māori me ngā tikanga, ma te tū motuhake, toitū momoho o Whakaata Māori hei pourewa pāpāho whakaaturanga.

To make a significant contribution to the revitalisation of tikanga Māori and reo Māori by being an independent, secure and successful Māori Television broadcaster.

Long-Term Objectives

Māori Television has achieved significant progress in the four years since launching. It has been a period of intensive growth that has resulted in the organisation establishing a

strong and solid platform for further long-term development.

Long-term objectives are to:

- Significantly contribute to te reo and tikanga Māori being increasingly valued, embraced and spoken.
- Be an independent national Māori television broadcaster that is successful with an assured future.

These objectives are interconnected by a central element which acknowledges the overriding purpose of Māori Television to promote Māori language and culture. In implementing its strategic objectives, Māori Television will:

- Support the principles and practices of tikanga and kaupapa Māori.

To achieve the long-term objectives, Māori Television will continue its implementation of the following key strategic priorities:

STRATEGIC PRIORITY:

Broadcast a range of high quality programmes

Māori Television is committed to consolidating the quality of its programme offerings on both channels. Continued enhancements will be made to the Māori Television channel schedule, while specific focus will be on establishing Te Reo channel and incrementally improving programming quality and variety.

In the 2008-2009 year, the standard Māori Television schedule will deliver a minimum of 3,224 hours of broadcast while Te Reo will deliver a minimum of 1,095 hours. The organisation's focus on consolidation of its rapid progress,

delivering quality and achieving excellence, is not expected to result in significantly increased hours over the next three years.

During prime time, Māori Television will broadcast a minimum of 50 percent Māori language programming and a minimum of 60 percent Māori language across the schedule. Te Reo will endeavour to broadcast 100 percent Māori language across its schedule. The combined Māori language content during prime time for both channels will be 70 percent.

STRATEGIC PRIORITY:

Broaden the viewer base

Māori Television will produce, commission and acquire programming that reflects life in Aotearoa New Zealand, meets the viewing needs of and attracts all New Zealanders, and which fulfils its public service responsibility to enrich New Zealand society, culture and heritage. Focus will be maintained on providing quality public service broadcasting, in both reo Māori and English, which contributes to national identity and pride.

STRATEGIC PRIORITY:

Implement a digital strategy

Māori Television recognises the impact of digital technology developments and is implementing a digital strategy to ensure the organisation is well-positioned to capitalise on the opportunities this development brings. Māori Television will consider every opportunity, as and when funding becomes available, to broadcast language and culture on every viable platform. This approach aligns with the objectives of the Māori Broadcasting and e-Media Outcomes Framework.

STRATEGIC PRIORITY:

Strengthen relationships and engagement with iwi Māori

Māori Television acknowledges the critical role that Māori play in transmission of the language from generation to generation. Māori Television will continue to strengthen its relationships with Māori to foster language usage and uptake, ensure that the dialectal and cultural diversity of Māori is reflected in its programming, and safeguard and enhance the cultural integrity of our programming.

STRATEGIC PRIORITY:

Successful implementation of reo and tikanga Māori, and corporate objectives

The challenge to implement corporate objectives and disciplines that are aligned with tikanga Māori is a unique aspect of Māori organisations. Māori Television will continue our work with the guidance, advice and support of the Māori Television Kaunihera Kaumātua to successfully achieve this integration.

STRATEGIC PRIORITY:

Grow industry skills, capacity and relationships

Strengthening Māori capacity within the television industry remains a key requirement for the future of Māori Television. Skill levels amongst industry personnel are increasing; however, focus will remain on building capacity to the level required to ensure sustainability for the channel. Māori Television will implement a comprehensive training and development plan to fully develop television craft and technical training skills, strengthen managerial and

supervisory skills, and grow proficiency and fluency of staff in te reo Māori.

Māori Television acknowledges its reliance on the Māori production sector for the supply of creative, high quality Māori and English language programming. Māori Television will support the growth of this sector by providing clear and early identification of its schedule requirements, ensuring an efficient and equitable commissioning process, and continuing to strengthen partnerships.

STRATEGIC PRIORITY:

Maximise commercial opportunities

The Māori Television channel will continue its focus on maximising the revenue opportunities that are available to it. However, the organisation remains committed to ensuring that its revenue objectives do not compromise its public value service. Te Reo channel is advertising-free.

Enhance, Expand, Internationalise

In order to continue to achieve its vision, mission and key strategic priorities, Māori Television will implement a strategy over the next three years that is centred on a three-tier plan:

- **Enhance:** Māori Television will focus on consolidating operational progress made to date, strengthening its Māori language programming, and delivering quality, excellence and consistency of performance. Specific focus will be on consolidation and enhancement of programming schedules for both channels.

- **Expand:** Māori Television will face the digital future by seeking to be on every viable platform. Māori Television is committed to expanding accessibility to its programmes and will progressively develop its internet and website presence and capability as funding becomes available. Of immediate priority is a focus on firmly establishing its current two-channel strategy.
- **Internationalise:** In order to deliver to its vision statement, Māori Television will continue to build an international reputation as an indigenous broadcast leader. Māori Television believes that the establishment of the World Indigenous Television Broadcasters Network, which was a key outcome of the World Indigenous Television Broadcasting Conference in March 2008, will contribute to the development of indigenous broadcasting and provide significant benefits. Māori Television is taking a leadership role in developing and establishing this network.

Key Strategic Initiatives

Six key initiatives have been identified. These initiatives, the majority of which were identified in 2007-2008, will significantly enhance our ability to achieve our vision, mission statement and strategic priorities:

- **Māori Language Strategy**
Māori Television is committed to active participation in the achievement of the Māori Language Strategy. Māori

Television will continue to proactively engage with the lead organisations, Te Taura Whiri i te Reo Māori and Te Puni Kōkiri, to ensure our contribution is part of a co-ordinated and effective collaboration with all other Māori language revitalisation organisations.

- **Māori Television Service (Te Aratuku Whakaata Irirangi Māori) Act 2003**
Undergoing review in 2008, Māori Television is working with stakeholders to ensure that the Act provides for the ongoing development of Māori Television as an independent national Māori broadcaster of reo Māori and English programmes and operating within a highly competitive and rapidly developing industry.
- **UHF Management Right**
Secure long-term extension of the UHF Management Right. Retention and long-term renewal of the UHF Management Right is critical to the future sustainability and development of Māori Television. Accordingly, it is a key term of reference for the review of the Māori Television Service Act 2003, which commenced in May 2008.
- **Expanding Accessibility**
Aligned with its digital strategy and the Māori Broadcasting and e-Media Outcomes Framework, Māori Television will commence development of its website to increase programming accessibility to domestic and international audiences.

- **Develop Two-Channel Strategy**
The organisation will focus on the delivery of programme schedules for both channels that meet the needs of, and enhance the viewing experience of the core fluent Māori-speaking audience and the general audience. Over the long-term, audience research to measure viewer satisfaction, enhance programme delivery and schedules, and monitor progress will be regularly undertaken.
- **Measuring Success**
Māori Television is investigating comprehensive research options that can provide a higher level of specific measurement of its effectiveness in terms of language revitalisation. It is anticipated that this research will be incorporated into our role as a significant contributor to the Māori Language Strategy.

Strategic Priorities

Broadcast a range of high quality programmes

Broaden the viewer base

Implement a digital strategy

Strengthen relationships and engagement with iwi Māori

Successful implementation of reo and tikanga Māori, and corporate objectives

Grow industry skills, capacity and relationships

Maximise commercial opportunities

Operating Report

Te Reo and Tikanga Māori

This department services two areas across Māori Television – Māori language and people development. Te Reo and Tikanga Māori is responsible for the provision of subtitling, Māori and English translations, te reo Māori and tikanga advice, and Māori protocol and cultural services. During 2007-2008, an average of 45 programme episodes per month were subtitled for broadcast on Māori Television with Māori language content ranging from 10 to 100 percent.

The Human Resource function operates under the umbrella of Pūmanawa Tāngata and its primary focus is on two areas. The first is the promotion and maintenance of positive staff well-being, staff relationships and wairua within Māori Television. The second is on the provision of formal HR practices, procedures, policies, staff employment related issues and performance management. While both these areas remain an important function of Māori Television, emphasis continues to be placed on the overall development of people and internal culture.

A key objective during the period under review was the continued implementation of an appropriate and relevant training and development programme for all staff. Staff training targets were exceeded every month and as a result, a total of 388 training and professional development courses were attended by staff in 2007-2008.

Programming

The Programming department is responsible for Māori Television's programming strategy – including Te

Reo channel – and drives the schedule structure, programme production, commissioning and acquisition, and on-air promotions. The key focus of this department is the provision of quality programmes, in both Māori and English, which attract a broad viewing audience.

The delivery of unique locally produced commissioned programmes, good quality and cost effective in-house programmes, free-to-air sport, intelligent and entertaining international programmes, and coverage of events of significance to all New Zealanders have been and remain the key deliverables for this team. This is coupled with a commitment to broadcast a substantial proportion of high quality Māori language programming throughout its schedules.

Programming highlights during this period were:

- The live-to-air simulcast on both channels of the launch of Te Reo at the gala dinner of the World Indigenous Television Broadcasting Conference;
- 100 percent Māori language programming specifically for Te Reo;
- An all-day Waitangi Day broadcast for a second consecutive year;
- A third, all-day ANZAC Day broadcast in 2008 which recorded an 11 percent increase in cumulative audience on the previous year;
- Boxer Shane Cameron's bout in June 2008 which achieved our highest daily cumulative audience to date;

- World-class indigenous films and documentaries from around the world;
- Major national and international sporting events ranging from boxing and basketball to rugby league and softball; and
- Coverage of the Māori Media Awards and national Māori Sports Awards.

Industry recognition of the quality of our programmes continues with Māori Television's community renovation and landscaping show, *Marae DIY*, winning Best Reality (format) at the Qantas Television Awards 2007.

In total, 3,827 hours of programming – including first play and repeats – were broadcast by Māori Television and Te Reo channels during the 2007-2008 year. Of this, 3,360 hours were produced, commissioned or acquired by the Programming department with the remainder being delivered by News and Current Affairs.

Commissioning

Commissioned programmes are an important source of content for Māori Television and are recognised as a key contributor to the channel's unique style, look and feel. The Commissioning team's priority during the 2007-2008 year was to strengthen relationships with the independent production community by providing clear direction regarding programming preferences as well as refining an efficient and equitable commissioning process.

Audience favourites produced by independent producers during this

period included *Hyundai CODE*, *Hunting Aotearoa* and *Māorioko*. The New Zealand documentary slot, *Pakipūmeka Aotearoa*, showcased local programmes that reflect life in this country as well as giving viewers a window into the world of Māori.

Total transmission hours during the period under review was 459 hours of original programmes for the Commissioning team.

Acquisitions

Māori Television has consolidated its reputation for broadcasting outstanding international documentaries and films showcasing inspirational stories of other indigenous peoples from throughout the world. These programmes continually rate as some of Māori Television's most watched and the strategy to acquire these

programmes as a means to attract viewers to the channel has been proven to be sound. A total of 86 original hours of international documentaries and movies were broadcast during the period from a range of overseas markets including Africa, Asia, South America, Europe and the Pacific.

Māori Television also seeks out other high quality international and local programming. These include the acquisition of children and youth programming from overseas suppliers which are reversioned into the Māori language. Total transmission hours for international acquisitions was 224 original hours while the total for local acquisitions was 257 – a combined total of 481 original hours for the 2007-2008 year.

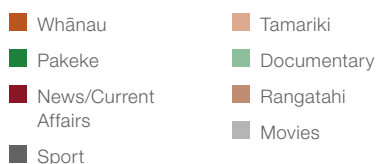
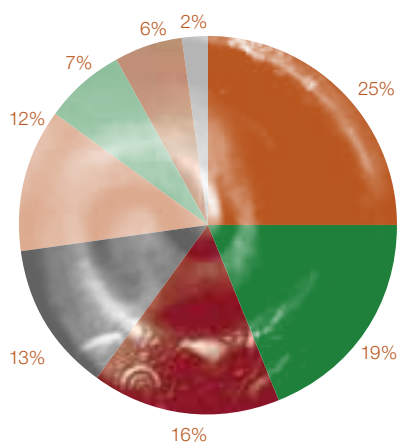
General Programmes and Sports

The challenge for the General Programmes team is to produce good quality, low cost, high volume programmes on a daily basis for two channels. During the 2007-2008 period, the team produced its stable of programmes for Māori Television including children's show *Tau Kē*; youth programme *Haa*; kapa haka slot *Toi Whakaari* with events in Te Arawa, Kahungunu and Whanganui; short film showcase *Iti Pounamu*; community events show *Mā Tātou*; popular karaoke talent quest *Homai Te Pakipaki*; and sports review/preview show *Boil Up*.

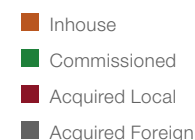
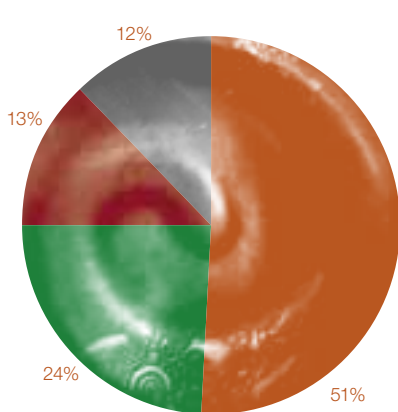
The team was also tasked with producing key nation-building broadcasts such as ANZAC Day, Waitangi Day and the Māori New Year, Matariki. Special emphasis was placed on new programming for Te Reo – which is subtitled for repeat on Māori Television – and included oral history series *Te Pātaka Kōrero*; Māori women interview show *Ruahine*; kapa haka discussion forum *Whare Tapere*; and traditional Māori game show *Karawhūia*.

Māori Television recognises that sport is a major driver of audience and its inclusion in the schedule is a reflection of this. The organisation has been successful in securing several high profile sporting events for free-to-air broadcast. Notable new additions were boxing bouts featuring David 'Tuaman' Tua and later, Shane 'Mountain Warrior' Cameron; and the NZ Breakers with home game coverage of their best ever season. Another coup – for the home of New Zealand rugby league – were two historic centenary fixtures commemorating the birth of the

Programmes by Genre



Programmes by Source



international game as well as three tests in the United Kingdom and one in Paris, France.

These international sporting events complemented schedule mainstays including the New Zealand rugby league national premiership; the national waka ama championships; and the national Māori Sports Awards. Other sports broadcasts included touch rugby, softball, the South Pacific Games, and the Pacific Nations Cup rugby tournament. Sports programming in 100 per cent te reo Māori for Te Reo included *Riiki NRL* – Australian rugby league commentated in Māori – and panel discussion show *Te Pae Hihiri*.

In total, 747 hours of original general programming and sports were broadcast by Māori Television and Te Reo channels during the 2007-2008 year. Of this, 515 hours were produced by General Programmes with the remainder – 232 hours – being delivered by the sports team.

News and Current Affairs

This department produces daily Māori language news programme *Te Kāea* with tribal, regional, national and international news from a Māori perspective; weekly bilingual current affairs show *Native Affairs*; and a weekly reo Māori discussion on current issues, *Te Tēpu*, by prominent kaumātua and some of the country's finest speakers of te reo Māori. News and Current Affairs is also responsible for Māori Television's election coverage programming, *Kōwhiri '08*, which will go to air in late 2008.

Highlights during the period under review included a nomination for *Native Affairs* in just its first year of production for Best Current Affairs Programme at the Qantas Television Awards. *Te Kāea* also devoted its entire bulletin to the signing of the largest Treaty of Waitangi settlement to date – the Central North Island forestry claim – which was presented live from Wellington.

Te Kāea was the recipient of three Māori Media Awards for Kaiwhakataki Reo Māori Tāne (Best Reo Māori Television Presenter Male) for Piripi Taylor; Oriini Kaipara who again won the title of Kaiwhakataki Reo Māori Wahine (Best Reo Māori Television Presenter Female); and Tina Wickliffe who won the category for Hiranga Kawenga Kōrero – Reo Irirangi/Whakaata Irirangi/Tuhi (Excellence in Journalism – Radio/TV/Print).

A total of 261 hours of original programmes were broadcast in 2007-2008 by the News and Current Affairs team, with *Te Kāea* contributing 182 of those hours.

Operations

During the 2007-2008 year, the Operations department underwent substantial development including the planning and implementation of changes related to the addition of a second channel. This involved a major technical upgrade for the launch of Te Reo in March 2008 and also incorporated the industry-wide move to widescreen transmission. The project provided an opportunity to develop and improve inter-departmental support for both channels and enables the organisation

as a whole to keep abreast of new technological developments.

Internal production output of programming for both Māori Television and Te Reo has continued to rise and Operations' resources have been a key to providing the necessary support for these services. This department is continuously reviewing its technology in terms of the daily work flow to ensure our capabilities are realised.

Sales, Marketing and Communications

The Sales, Marketing and Communications department is responsible for the development of Māori Television's commercial capability, brand and programme marketing and corporate communications.

Sales

This period represented the second full financial year with a dedicated Sales team in place. The past two years have seen significant growth in revenue with 2007-2008 ending 60 percent ahead of budget and 80 percent ahead of the 2006-2007 result.

The focus for the team is to maximise all potential commercial opportunities while complementing the channel's responsibility to promote reo and tikanga Māori. A three-phase strategy to achieve the revenue potential of Māori Television is now in its third stage of implementation. Key objectives to establish a stable operational sales infrastructure, achieve revenue objectives, and develop a highly motivated sales team remain unchanged.

Marketing

The key challenge for the Marketing team is to encourage new audiences to trial the channel and prompt existing audiences to return, in order to achieve the monthly audience targets. At just over four years of age, Māori Television has consistently exceeded these targets.

With research identifying approximately one million New Zealanders open to watching Māori Television, the focus in 2007-2008 continued to target this group of potential viewers through the use of advertising, marketing, communications, promotions, publicity and the development of mutually beneficial media partnerships. The Marketing department also encouraged our audience to interact with the channel and increased Māori Television's presence and awareness in target locations with high Māori populations.

A special Waitangi Day broadcast promotion was a highlight during the period under review. An artwork was carved by two artists – one Māori and the other British – on the billboard site of Māori Television's Auckland studio in the lead-up to its Waitangi Day programming. The five-metre long 'waka' was later gifted to the Waitangi National Trust. Key projects in 2007-2008 also included event management of the inaugural World Indigenous Television Broadcasting Conference and the launch of an online media centre.

Communications

This division of Māori Television has evolved and developed as a result of the growth of the organisation.

An important initiative undertaken during the 2007-2008 period was communications support for the World Indigenous Television Broadcasting Conference followed by secretariat support for the World Indigenous Television Broadcasters Network.

During 2007-2008, the organisation met all statutory reporting obligations including the delivery of a Statement of Intent for the 2008-2009 year that clearly outlines the strategic direction Māori Television will take over the next three years.

Finance and Administration

Robust financial management remains a priority for this department which maintains all aspects of financial and contractual management, and general administrative support for Māori Television. The 2007-2008 year was the organisation's first year of reporting under the new International Financial Reporting Standards framework. Overall, the department maintained the robust systems and processes and proactive cost control and reporting which have contributed to Māori Television's achievement of an operating surplus for the sixth consecutive year.

Governance and Accountability

The Board of Māori Television comprises up to seven non-executive directors. Four directors are appointed by Te Pūtahi Paoho and the remaining three by the Crown, represented by the Minister of Finance and the Minister of Māori Affairs.

Garry Muriwai Ngāpuhi (Te Pūtahi Paoho appointment)

Garry Muriwai is Chairman of the Board of Māori Television. Garry is the Director of the Bahrain Institute of Banking and Finance. He was formerly the Chief Executive of the New Zealand Institute of Chartered Accountants and the Chair of the Global Accounting Alliance. Prior to this, Garry was the Head of the School of Business at Auckland University of Technology. He has held senior accounting and information technology roles in the corporate sector, provided consultancy advice to a number of public and private sector organisations and has been a director of a number of companies.

Wayne Walden Ngāti Kahu (Crown appointment)

Formerly managing director of Farmers Deka Limited, Wayne Walden has extensive experience in the New Zealand retail and wholesale sectors and is involved in a range of business interests. Wayne has been a director of a number of boards including Mighty River Power, and is the former chairman of Tranzrail and deputy chairman of Meat New Zealand. He is an independent director of rural retail co-operative Farmlands and maintains an active interest in environmental matters.

Cathy Dewes Te Arawa, Ngāti Porou (Te Pūtahi Paoho appointment)

Cathy Dewes is a long-time advocate of the Māori language and has been actively involved in various Māori language revitalisation initiatives for more than three decades. She was a part of Te Reo Māori Society which was instrumental in establishing the first *Koha* and *Te Karere* programmes as well as the first training programme for Māori television producers and directors. A founding member of the kura kaupapa Māori movement, Cathy is the principal of Te Kura Kaupapa Māori o Ruamata in Rotorua which is a pioneer in the delivery of national secondary qualifications in te reo Māori. She is also a former Chairperson of Te Rūnanganui o Ngā Kura Kaupapa Māori o Aotearoa and still serves on the executive council. Cathy was the first woman to serve on Te Arawa Māori Trust Board and represented Ngāti Rangitihī through to the settlement of their lakes claim. As a member of Te Rūnanga o Ngāti Rangitihī, she is currently involved with advocating a fair settlement for Ngāti Rangitihī in the CNI Collective and other comprehensive claims.

Rod Cornelius (Crown appointment)

During the pioneering years of television, Rod Cornelius worked at the NZBC specialising in production in Dunedin, and then leading teams of producers and production staff. By the late 1970s, Rod was controlling programming production and development, TVNZ drama, general and special interest Māori programming, documentaries

and features. In 1984, he became an executive director of TVNZ as Director of Resources – a position he held for 11 years. Rod completed a lengthy career in the industry as managing director of Avalon Television.

Amohaere Houkamau Ngāti Porou (Te Pūtahi Paoho appointment)

Amohaere Houkamau is the Chief Executive of Te Rūnanga o Ngāti Porou. She has been at the forefront of education and social development in Ngāti Porou during the last decade, and was instrumental in the transfer of the management of fisheries operations from the Rūnanga to Ngāti Porou Fisheries Ltd, the review of the Rūnanga Mana loan portfolio, and establishing Ngāti Porou Land Owners Forum. Amohaere is a board member of the Charities Commission, co-chairs the Tairāwhiti District Taskforce Social Development Forum, is a Trustee of the Tairāwhiti Development Management Trust and a member of the Tairāwhiti Development Co-ordination Committee.

Wena Tait Tūhoe, Te Arawa (Crown appointment)

Wena Tait has extensive experience in the communications and media sectors. She has been a journalist for both broadcast and print media, and is an experienced radio producer, writer, editor and publisher. Wena is Station Manager of the oldest Māori radio station in the country, Te Reo Irirangi Māori o Te Ūpoko o Te Ika, in Wellington.

Tahu Potiki

Ngāi Tahu (Te Pūtahi Paoho appointment)

Tahu Potiki has been a major influence in the Māori language revitalisation initiatives of South Island tribe Ngāi Tahu over the past two decades and recently sat on the board of the Māori broadcasting funding agency, Te Māngai Pāho. Tahu and his whānau run a business from the Otago Peninsula and he is involved in a number of community organisations and Māori development projects. He is currently the Chair of Te Rūnanga o Otakou in the Otago region and is a former Chief Executive of Te Rūnanga o Ngāi Tahu.

Role of the Board

The Board's governance responsibilities, which are defined in the Māori Television Service (Te Aratuku Whakaata Irirangi Māori) Act 2003, include:

- The annual completion of a Statement of Intent, which is to be agreed upon with the Minister of Māori Affairs and the Minister of Finance (the 'responsible ministers') and Te Pūtahi Paoho;
- The annual completion of an Output Agreement, which is to be agreed upon with the responsible ministers;
- The provision of quarterly reports against the Output Agreement to the Chairperson of Te Pūtahi Paoho and the responsible ministers;
- The provision of an Annual Report to the responsible ministers and the Chairperson of Te Pūtahi Paoho;

- The delegation to the Chief Executive of responsibility for the efficient and effective administration of the day-to-day operations of Māori Television.

The Board concentrates on setting policy and strategy and holds regular meetings to monitor progress towards the achievement of those strategic objectives and to ensure that the affairs of Māori Television are being conducted in accordance with the Board's policies.

The Board has two standing committees:

- **Audit Committee**
During the year, members of the Audit Committee were Wayne Walden, Tahu Potiki, Cathy Dewes and Amohaere Houkamau.
- **Remuneration Committee**
During the year, members of the Remuneration Committee were Garry Muriwai, Rod Cornelius and Wena Tait.

Conflicts of Interest

A director who is interested in a transaction, or proposed transaction of, or other matter relating to Māori Television must disclose the nature of the interest to the Chairperson of the Board. If the director is the Chairperson, disclosure must be made to the responsible ministers and the Chairperson of Te Pūtahi Paoho.

Risk Management

The Board acknowledges that it is ultimately responsible for the

management of risks to Māori Television. The Board has charged the Chief Executive with establishing and operating a prudent risk management programme.

Programme Standards

The Board acknowledges Māori Television's responsibility to comply with programme codes adopted by the Broadcasting Standards Authority. Māori Television has implemented procedures to ensure formal complaints are investigated and appropriate action taken.

Occupational Health and Safety

Māori Television is committed to maintaining a safe and healthy working environment and has implemented a health and safety policy to promote prevention and best practice.

Statement of Responsibility for the year ended 30 June 2008

The Board and management of Māori Television accepts responsibility for the preparation of the annual Financial Statements and the judgments used in them.

The Board and management of Māori Television accepts responsibility for establishing and maintaining a system of internal control designed to provide reasonable assurance as to the integrity and reliability of financial and non-financial reporting.

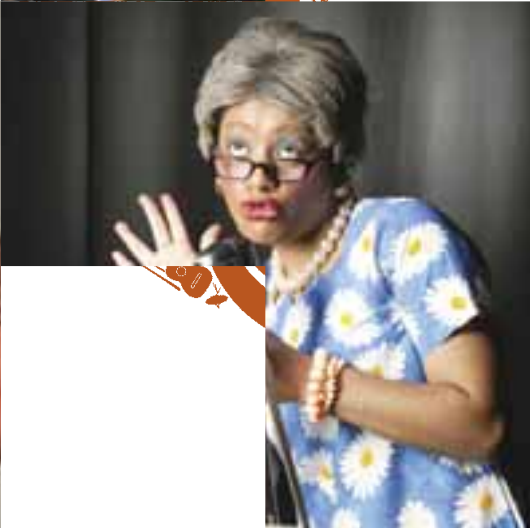
In the opinion of the Board and management of Māori Television, the annual Financial Statements for the year ended 30 June 2008 fairly reflect the financial position and operations of Māori Television.



Garry Muriwai
Chairman
20 October 2008



Jim Mather
Chief Executive
20 October 2008



MĀORI
TELEVISION



To the readers of Māori Television Service's financial statements and Statement of Service Performance for the year ended 30 June 2008,

The Auditor-General is the auditor of Māori Television Service. The Auditor-General has appointed me, F Caetano, using the staff and resources of Audit New Zealand, to carry out the audit on his behalf. The audit covers the financial statements and Statement of Service Performance included in the annual report of Māori Television Service for the year ended 30 June 2008.

Unqualified Opinion

In our opinion

- The financial statements and Statement of Service Performance of Māori Television Service on pages 24 to 49:
 - comply with generally accepted accounting practice in New Zealand; and
 - fairly reflect:
 - Māori Television Service's financial position as at 30 June 2008;
 - the results of its operations and cash flows for the year ended on that date; and
 - its service performance achievements measured against the performance targets adopted for the year ended on that date.

The audit was completed on 20 October 2008, 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 judgments 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 Māori Television Service as at 30 June 2008 and the results of its operations and cash flows and service performance achievements for the year ended on that date. The Board's responsibilities arise from the Māori Television Service Act 2003.

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 section 43(2) of the Māori Television Service Act 2003.

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.

In addition to the audit we have carried out an assurance assignment over the broadcasting levy return, which is compatible with those independence requirements.

Other than the audit, we have no relationship with or interests in the Māori Television Service.



F Caetano
Audit New Zealand
On behalf of the Auditor-General
Auckland, New Zealand

Statement of Service Performance

Non-Departmental Output Class

Māori Television receives operational funding from Vote: Māori Affairs. The description of the output class through which Māori Television receives operational funding is as follows:

The Minister of Māori Affairs will purchase this class of outputs from Māori Television to:

- Enable Māori Television to meet its statutory functions, including the promotion of te reo me ngā tikanga Māori through the provision of a high quality, cost effective Māori television service, in both Māori and English, that informs, educates and entertains a broad viewing audience and, in so doing, enriches New Zealand’s society, culture and heritage;
- Pursue the outcomes in its 2007-2008 Statement of Intent;
- Support the operational costs of Māori Television; and
- Purchase and produce programmes to be broadcast on Māori Television.

Performance measures for this class of outputs will be included in the following document:

- Māori Television 2007-2008 Output Plan.

Outputs will be provided at a total forecast cost of Outputs 1 and 2.

Māori Television will deliver two outputs through this output class. A description, the cost and performance measures for each output are described below:

Output 1 – Television Service Operations

Description

To support the operational costs of Māori Television so that it can meet its statutory functions.

Performance Measures

Quantity

Broadcast between 3,300 and 3,500 hours of programming for the year, 70 percent of which will be original programmes.

Broadcast programmes mainly in te reo Māori.

Broadcast at least five hours per week of programming for children participating in te reo Māori immersion education, a substantial proportion of which will be in te reo Māori.

Quality

Two six monthly reviews by Te Taura Whiri i te Reo Māori (Māori Language Commission) confirm that a selection of programmes broadcast during the general prime-time meet its quality indicator framework.

Service Performance to 30 June 2008

Māori Television broadcast a total of 3,827 hours during the year, of which 76.8 percent was original programmes.

59 percent of all programmes broadcast on Māori Television were in te reo Māori.

Each week an average of 12.3 hours of children’s programming were broadcast and of these 92 percent was in te reo Māori.

Two Māori Language Quality Assessment reviews were performed by Te Taura Whiri i te Reo Māori, during the period July 2007 to June 2008.

The average rating achieved by those programmes assessed achieved an average grading of 3.85, which tends towards very good (good, 3.0 and very good 4.0).

Cost \$31.936 million (excl GST)

Output 2 – Transmission Coverage

Description

Provide broadcast services that are technically available throughout New Zealand and are accessible to as many people as is reasonably and economically possible.

Performance Measures

Quantity

Provide free-to-air transmission coverage to at least 90 percent of New Zealand's population.

Provide satellite transmission coverage throughout as much of New Zealand as is technically and economically feasible.

Cost

Service Performance to 30 June 2008

Māori Television has 90 percent free-to-air transmission coverage in UHF analogue and 70 percent free-to-air transmission coverage on Freeview digital.

Māori Television has 100 percent satellite transmission coverage on Freeview.

\$2.713 million (excl GST)

Statement of Financial Performance for the year ended 30 June 2008

	Note	Actual 2008 \$000's	Budget 2008 \$000's	Actual 2007 \$000's
Income				
Revenue from the Crown		18,106	17,256	11,537
Te Māngai Pāho Production Funding		16,926	16,120	21,415
Other Production Funding		375	–	–
Advertising Income		1,604	1,017	890
Interest Income		509	211	200
Other	4	72	–	84
Total Income		37,592	34,604	34,126
Expenditure				
Interest Expense		–	–	1
Cost of Operations and Administration	5	13,342	13,493	11,740
Cost of Programme Production and Acquisition	6	21,307	20,826	21,720
Total Expenditure		34,649	34,319	33,461
Net Surplus		2,942	284	665

Explanation of significant variances against budget are detailed in Note 27.

Statement of Changes in Equity for the year ended 30 June 2008

	Note	Actual 2008 \$000's	Budget 2008 \$000's	Actual 2007 \$000's
Balance at 1 July		13,451	15,054	12,786
Surplus for the Year	8	2,942	284	665
Balance at 30 June		16,393	15,338	13,451

The accompanying notes form part of these financial statements.

Statement of Financial Position as at 30 June 2008

	Note	Actual 2008 \$000's	Budget 2008 \$000's	Actual 2007 \$000's
Public Equity				
General Funds		16,393	15,338	13,451
Total Public Equity		16,393	15,338	13,451
Represented by:				
Assets				
Current Assets				
Cash and Cash Equivalents		3,782	4,540	626
Trade and Other Receivables	9	4,627	1,413	4,690
GST Receivable		444	–	348
Inventory	10	–	–	104
Total Current Assets		8,853	5,953	5,768
Non-Current Assets				
Property, Plant and Equipment	11	8,693	8,645	8,996
Total Fixed Assets		8,693	8,645	8,996
Intangibles				
Intangible Programme Rights	7	1,795	2,631	924
Computer Software	7	37	–	86
Total Intangibles		1,832	2,631	1,010
Total Assets		19,378	17,229	15,774
Liabilities				
Current Liabilities				
Trade and Other Payables	12	1,891	1,297	1,500
Employee Entitlements	13	1,061	594	824
Unearned Revenue	14	33	–	–
Total Current Liabilities		2,985	1,891	2,323
Total Liabilities		2,985	1,891	2,323
Net Assets		16,393	15,338	13,451

The accompanying notes form part of these financial statements.

Statement of Cash Flows for the year ended 30 June 2008

	Note	Actual 2008 \$000's	Budget 2008 \$000's	Actual 2007 \$000's
Cash Flows from Operating Activities				
Cash was provided from:				
Receipts from Crown Revenue		18,106	18,106	7,582
Te Māngai Pāho Production Funding		16,928	16,120	17,901
Other Production Funding		375	–	–
Interest Received		509	210	201
Advertising Revenue		1,613	1,017	994
Other		103	1,272	84
Cash was applied to:				
Payments to Employees		(10,685)	(11,197)	(10,086)
Payments to Suppliers		(16,786)	(21,022)	(21,144)
Interest Paid		–	–	1
Goods and Services Tax (Net)		(96)	(91)	(433)
Net Cash from Operating Activities	15	10,067	4,415	(4,900)
Cash Flows from Investing Activities				
Cash was applied to:				
Purchase of Property, Plant and Equipment		(2,028)	(2,250)	(567)
Purchase of Intangible Assets		(4,883)	–	(641)
Net Cash Flows from Investing Activities		(6,911)	(2,250)	(567)
Cash Flows from Financing Activities				
Cash was applied to:				
Loan Repayments		–	–	–
Net Cash Flows from Financing Activities		–	–	–
Net Increase/(Decrease) in Cash and Cash Equivalents		3,156	2,165	(6,108)
Cash and Cash Equivalents at the beginning of the year		626	2,375	6,734
Cash and Cash Equivalents at the end of the year		3,782	4,540	626

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 form part of these financial statements.

Notes to the Financial Statements for the year ended 30 June 2008

1. Statement of Accounting Policies for the year ended 30 June 2008

The following accounting policies that materially affect the measurement of financial performance, financial position and cash flows have been applied:

a) Reporting Entity

The Māori Television Service is a statutory corporation established under the Māori Television Service Act 2003.

These financial statements have been prepared in accordance with section 41 of the Māori Television Act 2003 which includes the requirement to comply with New Zealand generally accepted accounting practice ("NZ GAAP").

The purpose of Māori Television is to "protect and promote te reo Māori" and as such the objective is to provide a service to the public of New Zealand as opposed to that of making a financial return. Accordingly Māori Television has designated itself as a public benefit entity for the purposes of New Zealand Equivalents to International Financial Reporting Standards ("NZ IFRS").

The financial statements comply with NZ IFRS, and other applicable Financial Reporting Standards, as appropriate for public benefit entities and were approved by the Board at the date they were signed.

First Year of Preparation Under NZ IFRS

This is the first set of financial statements prepared using NZ IFRS, and comparatives for the year ended 30 June 2007 have been restated to NZ IFRS accordingly. Reconciliations of equity and surplus for the year ended 30 June 2007 under NZ IFRS to the balances reported in the 30 June 2008 financial statements are detailed in note 27.

The accounting policies set out below have been applied consistently to all periods presented in these financial statements and in preparing an opening NZ IFRS Statement of Financial Position as at 1 July 2007 for the purposes of the transition to NZ IFRS.

Standards, amendments and interpretations issued but not yet effective that have not been early adopted, and which are relevant to Māori Television include:

- NZ IAS 1 Presentation of Financial Statements (revised 2007) replaces NZ IAS 1 Presentation of Financial Statements (issued 2004) and is effective for reporting periods beginning on or after 1 January 2009. The revised standard requires information in financial statements to be aggregated on the basis of shared characteristics and introduces a statement of comprehensive income. The statement of comprehensive income will enable readers to analyse changes in equity resulting from non-owner changes separately from transactions with the Crown in its capacity as "owner". The revised standard gives Māori Television the option of presenting items of income and expense and components of other comprehensive income either in a single statement of comprehensive income with subtotals, or in two separate statements (a separate income statement followed by a statement of comprehensive income). Māori Television intends to adopt this standard for the year ending 30 June 2010, and is yet to decide whether it will prepare a single statement of comprehensive income or a separate income statement followed by a statement of comprehensive income.
- NZ specific amendment to NZ IAS 2 Inventories. In November 2007 the New Zealand Accounting Standards Review Board approved an amendment to NZ IAS 2 Inventories, which requires public benefit entities to measure inventory held for distribution at cost, adjusted when applicable for any loss of service potential. Prior to the amendment, public benefit entities were required to measure inventories held for distribution at the lower of cost and current replacement cost. Application of the amendment is mandatory for reporting periods beginning on or after 1 January 2008. Māori Television will adopt the amended standard for the year ending 30 June 2009 and expects the impact of adopting the new standard to be minimal.

b) Measurement Base

The financial statements have been prepared on an historical cost basis except where derivative financial instruments have been measured at fair value.

c) Functional and Presentation Currency

The financial statements are presented in New Zealand dollars and all values are rounded to the nearest thousand dollars (\$'000). The functional currency of Māori Television is New Zealand dollars.

d) Forecast Financial Statements

Budget Figures

The budget figures are derived from the Statement of Intent as approved by the Board at the beginning of the financial year. The budget figures have been prepared in accordance with NZ IFRS, using accounting policies that are consistent with those adopted by Māori Television for the preparation of the financial statements.

e) Trade and Other Receivables

Trade and other receivables are measured at fair value.

Impairment of a receivable is established when there is objective evidence that Māori Television will not be able to collect amounts due according to the original terms of the receivable.

The amount of the impairment is the difference between the asset's carrying amount and the present value of estimated future cash flows. The carrying amount of the asset is reduced through the use of an allowance account, and the amount of the loss is recognised in the Statement of Financial Performance. When the receivable is uncollectible, it is written off against the allowance account for receivables. Overdue receivables that have been renegotiated are reclassified as current (i.e. not past due).

f) Intangible Assets

Software:

Software Acquisition and Development

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. Costs associated with maintaining computer software are recognised as an expense when incurred. Costs associated with the development and maintenance of the Māori Television website is recognised as an expense when incurred.

Programme Rights:

All programmes are valued at their net cost to Māori Television. "Net Cost" being defined as total cost paid by Māori Television less any direct third party contributions. "Net Cost" will not include any Māori Television overheads or any intangibles.

Under NZ IAS 38, we treat five different types of programme rights differently depending upon the nature of the programme:

1. Externally purchased programmes, paid for by Māori Television, will be measured at cost and amortised over their economic useful life.
2. Externally purchased programmes paid for by Te Māngai Pāho will be measured at cost; however that cost will be nil, as this expenditure is fully reimbursed.

3. Internally produced programmes, which are paid for by Māori Television will be measured at cost, and amortised over their economic useful life.
4. Internally produced programmes, which are fully funded by Te Māngai Pāho will be recognised at cost, however the cost will be nil, as this expenditure is fully reimbursed.
5. Programmes produced by third party producers and funded directly by Te Māngai Pāho will be recognised at cost, however the cost will be nil.

An annual impairment assessment will be carried out on all intangible assets recognised by Māori Television.

Frequency Licenses:

The cost of acquiring frequency licenses is amortised on a straight line basis over the period of the licenses, typically 20 years. Frequency licenses were acquired at a cost of nil.

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 Statement of Financial Performance.

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

Acquired Computer Software	3 years
Frequency Licenses	20 years

Programme Rights

Programmes which primarily deal with current events, and/or transmitted within a very short time of their production, and/or are unlikely to be replayed at any future time (genres, current affairs, sport, live events) will be fully amortised at the time of their first transmission.

Programmes with longer shelf lives, that are intended to be transmitted several times over a number of months or years, will be amortised as they are broadcast. The amortisation formula may be varied depending on the specifics of the programme but the default amortisation policy will be based on 60 percent first play, 20 percent second play and 20 percent third play.

g) Impairment of non-financial assets

Property, plant and equipment and intangible assets that have a finite useful life are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Value in use is depreciated replacement cost for an asset where the future economic benefits or service potential of the asset are not primarily dependent on the asset's ability to generate net cash inflows and where Māori Television would, if deprived of the asset, replace its remaining future economic benefits or service potential.

If an asset's carrying amount exceeds its recoverable amount, the asset is impaired and the carrying amount is written down to the recoverable amount. For assets not carried at a revalued amount, the total impairment loss is recognised in the Statement of Financial Performance.

h) Inventories

Māori Television holds merchandise such as tee-shirts etc for realisation in the ordinary course of business. The replacement cost of the economic benefits or service potential of inventory held for distribution reflects any obsolescence or any other impairment. Inventories held for sale on a commercial basis are valued at the lower of cost and net realisable value. The cost of purchased inventory is determined using the weighted average cost method. The write-down from cost to current replacement cost or net realisable value is recognised in the Statement of Financial Performance in the period when the write-down occurs.

i) Property, Plant and Equipment and Depreciation

Property, plant and equipment are stated at historical cost less accumulated depreciation or impairment losses. The provision for depreciation is calculated on a straight line basis to allocate the cost of the assets by equal instalments to an estimated residual value at the end of the economic life of the asset. Important depreciation periods are:

IT Equipment	3 years
Office Equipment	3-10 years
Studio Equipment	5 years
Studio Fitout	10-80 years
Building Soft Fitout and Office Equipment	5-12 years
Artworks	200 years

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

j) Leases

Operating Leases

Leases that do not transfer substantially all the risks and rewards incidental to ownership of an asset to Māori Television are classified as operating leases. Lease payments under an operating lease are recognised as an expense on a straight-line basis over the term of the lease in the Statement of Financial Performance.

k) Foreign Currencies

Transactions denominated in a foreign currency are converted at the exchange rate ruling at the date of the transaction.

At balance date foreign currency monetary assets and liabilities are converted at closing exchange rates and exchange variations arising from these transaction items are included in the Statement of Financial Performance as operating items.

l) Employee Entitlements

Employee entitlements that Māori Television expects to be settled within 12 months of balance date are measured at undiscounted 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, but not yet taken at balance date.

Currently there is no provision in our employment contracts for long service leave or retirement leave.

m) Goods and Services Tax (GST)

All items in the financial statements are presented exclusive of GST, except for receivables and payables, which are presented on a GST inclusive basis. Where GST is not recoverable as 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.

Good practice commitments and contingencies are disclosed exclusive of GST.

n) Cash and Cash Equivalents

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

o) Revenue

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

Māori Television is primarily funded through revenue received from the Crown, which is restricted in its use for the purpose of Māori Television meeting its objectives as specified in the Statement of Intent. Revenue from the Crown is recognised as revenue when earned and is reported in the financial period to which it relates.

Advertising revenue is recognised when advertising spots have gone to air.

Interest Income is recognised when received.

p) Financial Instruments

Māori Television is party to financial instrument arrangements including cash and bank, short term deposits and accounts receivable and prepayments as part of its every day operations, which are recognised in the Statement of Financial Position.

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

Except for those items covered by a separate accounting policy, all financial instruments are shown at their estimated fair value.

q) Statement of Cash Flows

Cash means cash balances on hand, held in bank accounts and on-demand deposits.

Operating activities include cash received from all income sources of Māori Television and records the cash payments made for the supply of goods and services.

Investing activities are those activities relating to the acquisition and disposal of property, plant and equipment.

Financing activities are those activities relating to changes in debt or capital structure.

r) Trade and Other Payables

Trade and other payables are measured at fair value.

s) Capital Management

Māori Television capital is its equity, which comprise retained earnings and is represented by net assets.

t) Liquidity Risk – Management of Liquidity Risk

Liquidity risk is the risk that Māori Television will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through and an adequate amount of committed credit facilities. Māori Television aims to maintain flexibility in funding by keeping committed credit lines available.

u) Critical Accounting Estimates and Assumptions

In preparing these financial statements Māori Television 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.

Property, Plant and Equipment Useful Lives and Residual Value

At each balance date Māori Television 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 Māori Television to consider a number of factors such as the physical condition of the asset, expected period of use of the asset by Māori Television, and expected disposal proceeds from the future sale of the asset.

An incorrect estimate of the useful life or residual value will impact the depreciation expense recognised in the Statement of Financial Performance, and carrying amount of the asset in the Statement of Financial Position. Māori Television minimise the risk of this estimation uncertainty by:

- physical inspection of assets;
- asset replacement programmes;
- review of second hand market prices for similar assets; and
- analysis of prior asset sales.

Māori Television has not made significant changes to past assumptions concerning useful lives and residual values.

The carrying amounts of property, plant and equipment are disclosed in note 11.

Critical Judgments in Applying Māori Television's Accounting Policies

Management has exercised the following critical judgments in applying Māori Television's accounting policies for the period ended 30 June 2008:

Leases Classification

Determining whether a lease agreement is a finance or an operating lease requires judgment as to whether the agreement transfers substantially all the risks and rewards of ownership to Māori Television.

Judgment 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.

Māori Television has exercised its judgment on the appropriate classification of property and equipment leases and has determined all of their lease arrangements are operating leases.

2. Taxation

Māori Television is exempt from income tax for the period and therefore no provision has been made in the financial statements.

3. Comparatives

The financial statements provide comparative figures for the year ended 30 June 2007.

4. Other Income

	2008 \$000's	2007 \$000's
Merchandise	68	64
Other	4	20
Total	72	84

5. Cost of Operations and Administration

	2008 \$000's	2007 \$000's
The net surplus is after charging for:		
Fees Paid to Auditors		
IFRS Audit Fees	20	–
2008 Attest Audit Fees	58	59
Board Members' Fees	134	139
Bad and Doubtful Debts	47	7
Rental Expense on Operating Leases	825	821
Amortisation		
Computer Software	55	151
Programme Rights	4,006	521
Depreciation and Amortisation	6,392	2,924

6. Personnel Costs

	2008 \$000's	2007 \$000's
Salaries and Wages	10,849	10,278
Employer Contributions to Defined Contribution Plans	3	–
Total	10,852	10,278

7. Intangibles

	2008 \$000's	2007 \$000's
Programme Rights	1,795	924
Total	1,795	924

	2008 \$000's Cost	2008 \$000's Accum Dep'n	2008 \$000's NBV	2007 \$000's Cost	2007 \$000's Accum Dep'n	2007 \$000's NBV
Computer Software	612	(575)	37	607	(521)	86

8. Public Equity – General Funds

	2008 \$000's	2007 \$000's
Opening Balance	13,451	12,786
Net Surplus	2,942	665
Closing Balance	16,393	13,451

9. Trade and Other Receivables

	2008 \$000's	2007 \$000's
Receivables	4,644	4,608
Less Provision for Impairment	(54)	(7)
Prepayments	33	87
Other	5	2
Total	4,627	4,690

The carrying value of receivables approximates their fair value.

As at 30 June 2008 and 2007 all overdue receivables have been assessed for impairment and appropriate provisions applied as detailed below:

	2008 \$000's Gross	2008 \$000's Impairment	2008 \$000's Net	2007 \$000's Gross	2007 \$000's Impairment	2007 \$000's Net
Not Past Due	4,479	0	4,479	4,530	0	4,530
Past Due 1-30 days	95	0	95	14	0	14
Past Due 31-60 days	0	0	0	2	0	2
Past Due 61-90 days	10	0	10	7	0	7
Past Due > 91 days	60	(54)	6	55	(7)	48
Total	4,644	(54)	4,590	4,608	(7)	4,601

The provision for impairment has been calculated based on expected losses for Māori Television's pool of debtors. Expected losses have been determined based on an analysis of Māori Television's losses in previous periods, and review of specific debtors. Movement in the provision for impairment of receivables is as follows:

	2008 \$000's	2007 \$000's
Balance at 1 July	(7)	0
Additional Provisions Made During the Year	(47)	(7)
Receivables Written Off During the Period	0	0
Total	(54)	(7)

10. Inventory

	2008 \$000's	2007 \$000's
Merchandise Inventory	–	104
Total	–	104

11. Property, Plant and Equipment

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

	Office Equipment \$000's	Computer Equipment \$000's	Studio Equipment \$000's	Studio Fitout \$000's	Building Soft Fitout \$000's	Artwork \$000's	Total
Cost							
Balance at 1 July 2006	78	738	8,291	5,392	732	175	15,406
Additions	28	77	283	42	68	–	498
Disposal	–	–	–	–	–	–	–
Balance at 30 June 2007	106	815	8,574	5,434	800	175	15,904
Balance at 1 July 2007	106	815	8,574	5,434	800	175	15,904
Additions	106	38	1,676	88	104	16	2,028
Disposals	–	–	–	–	–	–	–
Balance at 30 June 2008	212	853	10,250	5,522	904	191	17,932
Accumulated Depreciation							
Balance at 1 July 2006	32	465	3,402	552	206	–	4,657
Additions	21	165	1,698	264	103	–	2,251
Disposals	–	–	–	–	–	–	–
Impairment Losses	–	–	–	–	–	–	–
Balance at 30 June 2007	53	630	5,100	816	309	–	6,908
Balance at 1 July 2007	53	630	5,100	816	309	–	6,908
Additions	39	121	1,798	264	109	–	2,331
Disposals	–	–	–	–	–	–	–
Impairment Losses	–	–	–	–	–	–	–
Balance at 30 June 2008	92	751	6,898	1,080	418	–	9,239
Carrying Amounts							
At 1 July 2006	46	273	4,889	4,840	526	175	10,749
At 30 June and 1 July 2007	53	185	3,474	4,618	491	175	8,996
At 30 June 2008	120	102	3,352	4,442	486	191	8,693

12. Trade and Other Payables

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

	2008 \$000's	2007 \$000's
Trade Creditors	717	800
Accrued Expenses	1,174	700
Total	1,891	1,500

13. Employee Entitlements

	2008 \$000's	2007 \$000's
Annual Leave	759	639
Accrued Wages	238	164
ACC Levies	63	21
Total	1,061	824

14. Unearned Income

	2008 \$000's	2007 \$000's
Freeview	33	0
Total	33	0

15. Reconciliation of the Net Surplus from Operations with the Net Cash Flows from Operating Activities

	2008 \$000's	2007 \$000's
Net Surplus for the Year	2,942	665
Add/(Less) Non Cash Movements		
Depreciation	2,331	2,251
Amortisation	4,061	521
Provision for Doubtful Debts	47	(4)
	9,381	3,433
Add/(Less) Movements in Working Capital		
Less Increase /Add Decrease in Prepayments	52	(16)
Less Increase /Add Decrease in Inventory	104	(76)
Less Decrease/Add Increase in Payables and Employee Entitlements	631	(74)
Less Increase/Add Decrease in Receivables	(38)	(3,137)
Less GST Receivable	(96)	(433)
Less Decrease/ Add Increase in Unearned Income	33	(4,597)
Net Cash flows from Operating Activities	10,067	(4,900)

16. Related Party Transactions and Key Management Personnel

Māori Television has been established as a body corporate with perpetual succession whose key stakeholders are the Crown and Māori.

The Government is the principal source of funding for Māori Television.

Māori Television 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 Māori Television would have adopted if dealing with that entity at arm's length in the same circumstances have not been disclosed as related party transactions.

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

During the year a number of directors and the Chief Executive Officer had the following related party transactions with Māori Television. Goods and services were purchased from the organisations listed below, and all transactions were made at 'arm's length'.

Related Party	Nature of Interest	Transaction Value Year ended 30 June		Balance outstanding Year ended 30 June	
		2008 \$000's	2007 \$000's	2008 \$000's	2007 \$000's
Jim Mather					
Freeview	Director	243	251	–	–
Amohaere Houkamau					
Mauri Ora Productions	Whānau Employed	–	42	–	–
Garry Muriwai					
The New Zealand Institute of Chartered Accountants	Chief Executive	–	3	–	–
Wena Tait (paid as He Koha Kī Limited)					
Mauri Ora Productions	Whānau Employed	–	42	–	–
Tawharau Sports Productions Ltd	Whānau Employed	1	191	–	–
Tangata Whenua Television	Whānau Employed	–	113	–	–

Key Management Personnel Compensation

	2008 \$000's	2007 \$000's
Salaries and Other		
Short Term Employee Benefits	2,221	1,476
Post employee benefits	–	–
Other long term benefits	–	–
Termination benefits	–	–
Total	2,221	1,476

The key management personnel are made up of 25 individuals (17 as at 30 June 2007) who included all Board members, the Chief Executive and the remaining members of the senior management team.

17. Financial Instruments

Māori Television is risk averse and seeks to minimise its exposure from its treasury activities. Its policies do not allow any transactions which are speculative in nature to be entered into.

Credit Risk

Credit risk is the risk that a third party will default on its obligation to Māori Television, causing Māori Television to incur a loss. Financial instruments which potentially subject the company to risk consist principally of cash, short term investments, and trade receivables.

Māori Television has a minimal credit risk in its holdings of various financial instruments. These instruments include cash, bank deposits, and accounts receivable.

Māori Television believes that these policies reduce the risk of any loss which could arise from its investment activities. Māori Television does not require any collateral or security to support financial instruments. There is no significant concentration of credit risk. The maximum amount of credit risk for each class is the carrying amount in the Statement of Financial Position.

Liquidity Risk

Liquidity risk is the risk that Māori Television will encounter difficulty raising liquid funds to meet commitments as they fall due. Prudent liquidity risk management implies maintaining sufficient cash, the availability of funding through an adequate amount of committed credit facilities and the ability to close out market positions. Māori Television aims to maintain flexibility in funding by keeping committed credit lines available.

Currency Risk

Currency risk is the risk that the value of a financial instrument will fluctuate due to changes in foreign exchange rates. At balance date Māori Television had exposure to currency risk in regard to the purchase of television programmes from overseas which are primarily denominated in US dollars (see Statement of Commitments). Māori Television does not enter into forward exchange contracts to hedge any exposure.

Interest Rate Risk

Interest rate risk is the risk that the value of a financial instrument will fluctuate due to changes in market interest rates. There are no interest rate options or interest rate swap options in place as at 30 June 2008.

The Board does not consider that there is any significant interest exposure on either Māori Television investments or its borrowings.

18. Employees' Remuneration

The following numbers of employees received remuneration and other benefits in their capacity as employees the total value of which exceeded \$100,000 for the year.

	2008 \$000's	2007 \$000's
\$100,001-\$110,000	3	2
\$110,001-\$120,000	–	1
\$120,001-\$130,000	3	3
\$130,001-\$140,000	–	–
\$140,001-\$150,000	2	3
\$150,001-\$160,000	1	–
\$160,001-\$170,000	–	–
\$170,001-\$180,000	3	–
\$180,001-\$190,000	–	–
\$190,001-\$200,000	–	1
\$200,001-\$210,000	–	–
\$210,001-\$220,000	1	–

19. Board Fees

Board members earned the following fees during the period:

	2008 \$000's	2007 \$000's
Garry Muriwai (appointed as Chairman 20 July 2007)	36	18
Wayne Walden (resigned as Chairman 20 July 2007)	18	36
Rod Cornelius	18	18
Leonie Pihama*	–	15
Wena Tait	10	18
Amohaere Houkamau	18	18
Cathy Dewes**	16	–
Tahu Kingi-Potiki***	18	16
Total	134	139

*Resigned 30 April 2007. **Appointed 30 July 2007. ***Appointed 9 August 2006.

20. Loan Facilities

Māori Television has fully repaid its loan with Westpac Bank.

Māori Television also has a letter of credit facility with the bank for \$200,000. At balance date this facility was un-utilised.

21. Good Employer Policy

Māori Television continues to discharge its obligations as a good employer by providing fair employment contracts and policies which provide for proper conduct of the business and opportunities for team members to consult on matters of concern to them.

The six most senior positions of Chief Executive and six General Managers comprise a 6:1 male to female gender split, and 6:1 ethnic split between Māori and Other.

In terms of the organisation as a whole Māori Television has a total staff base of 174 employees with all but four classified as full-time. Māori Television have a 52 percent: 48 percent male to female gender split while the ethnic split between Māori and Other is approximately 5.6:1.

22. Employment Matters

Māori Television paid out a total of \$15,000 in relation to cessation of employment and pursuant to section 123 c (i) of the Employment Relations Act to an employee during the financial year ended 30 June 2008.

Māori Television paid out a total of \$50,000 in relation to cessation of employment and pursuant to section 123 c (i) of the Employment Relations Act to an employee during the financial year ended 30 June 2007.

23. Post Balance Date Events

No significant events have occurred since balance date which will have any material effect upon the financial statements for the year ended 30 June 2008.

24. Commitments and Operating Leases

	2008 \$000's	2007 \$000's
Transmission and Satellite Linking	9,315	4,869
Programme Production	937	5,300
Programme Acquisitions	192	509
Total	10,444	10,678

Transmission and Satellite Linking

We have entered into long-term agreements with Sky Network Television, Television New Zealand and Kordia for transmission and linking services.

	2008 \$000's	2007 \$000's
Not Later Than One Year	2,655	1,707
Later Than One Not Later Than 2	2,698	1,707
Later Than 2 But Not Later Than 5	2,594	1,456
Later Than 5 Years	1,368	–
Total	9,315	4,869

Programme Production

Production of a number of programmes had commenced but were not completed at year end. Expenditure required to complete production is recorded as a commitment.

Programme Acquisitions

Contracts for the purchase of broadcast rights in certain programmes have been entered into but full payment has not yet been made and is not yet due, pending certain events, e.g. delivery of materials, first transmission, etc.

Non-Cancellable Operating Lease Commitments

	2008 \$000's	2007 \$000's
Not Later Than One Year	904	891
Later Than One Not Later Than 2	842	873
Later Than 2 But Not Later Than 5	1,662	2,438
Later Than 5 Years	–	–
Total	3,408	4,202

25. Contingencies

There were no contingent liabilities at year end 30 June 2008.

There were no contingent liabilities at year end 30 June 2007.

26. Categories of Financial Assets and Liabilities

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

	2008 \$000's	2007 \$000's
Categories of Financial Assets and Liabilities		
Loans and Receivables		
Cash and Cash Equivalents	3,782	626
Debtors and Other Receivables	5,071	5,038
Total Loans and Receivables	8,853	5,664

	2008 \$000's	2007 \$000's
Financial Liabilities Measured at Amortised Cost		
Creditors and other Payables	2,985	2,323
Total Financial Liabilities Measured at Amortised Cost	2,985	2,323

27. Significant Budget Variances

As part of the Crown funding round in the 2007-2008 year we negotiated an extra \$3 million Capital Expenditure funding over the next 4 years. As part of our budget, we apportioned the receipt of this funding over the next four years.

During the year we received \$1.6 million of this Capital Expenditure funding and in accordance with IFRS we have recognised the whole amount as income and we therefore show an extra \$850,000 to budget.

We also show a favourable variance to budget of \$587,000 in advertising income, this is due to setting a conservative budget for the current year.

The variance to budget in programme production and acquisition of \$481,000 occurred mainly in the area of General Programmes due to the launch of our second channel "Te Reo channel".

28. Explanation of Transition to NZ IFRS

As stated in note 1, these are Māori Television's first financial statements to be prepared in accordance with NZ IFRS. Māori Television transition date is 1 July 2006 and the opening NZ IFRS balance sheet has been prepared as at that date. Māori Television NZ IFRS adoption date is 1 July 2007.

Reconciliation of Equity

The following table shows the changes in equity, resulting from the transition from previous NZ GAAP to NZ IFRS as at 1 July 2007 and 30 June 2008.

	Note	Previous NZ GAAP 2006 \$000's	1-Jul-06 Effect on Transition NZ IFRS \$000's	NZ IFRS \$000's	Previous NZ GAAP 2007 \$000's	1-Jul-07 Effect on Transition NZ IFRS \$000's	NZ IFRS \$000's
Public Equity							
General Funds	a	14,831	-2,045	12,786	14,877	-1,426	13,451
Total Public Equity		14,831	-2,045	12,786	14,877	-1,426	13,451
Represented by:							
Assets							
Current Assets							
Cash and Cash Equivalents		6,734	-	6,734	626	-	626
Debtors and Other Receivables		1,903	-	1,903	4,690	-	4,690
GST Receivable					348	-	348
Inventory		28	-	28	104	-	104
Total Current Assets		8,665	-	8,665	5,768	-	5,768
Non-Current Assets							
Property, Plant and Equipment		10,918	-	10,918	9,082	-86	8,996
Intangibles							
Programme Inventory	a	2,328	-2,045	283	2,350	-1,426	924
Computer Software		-	-	-	-	86	86
Total Intangibles		-	-	-	2,350	-1,340	1,010
Total Assets		21,911	-2,045	19,866	17,200	-1,426	15,774
Liabilities							
Current Liabilities							
Creditors and Other Payables		1,930	-	1,930	1,664	-	1,664
Employee Entitlements		467	-	467	659	-	659
Unearned Revenue		4,598	-	4,598	-	-	-
GST Payable		85	-	85	-	-	-
Loan		-	-	-	-	-	-
Total Current Liabilities		7,080	-	7,080	2,323	-	2,323
Total Liabilities		7,080	-	7,080	2,323	-	2,323
Net Assets		14,831	-2,045	12,786	14,877	-1,426	13,451

a) Under previous NZ GAAP our un-played programme rights at year end for our in-house programme productions and our acquired programmes are treated as inventory, in that we capitalised the costs of these rights at the lower of cost or expected future revenue earning potential.

Licences acquired on programmes commissioned by Māori Television and made by independent production houses, but for which Māori Television has not incurred any direct cost, are valued at an average cost per hour based on the average cost per hour of acquired programmes.

Under NZ IAS 38, we treat five different types of programme rights differently depending upon the nature of the programme:

- 1 Externally purchased programmes, paid for by Māori Television, will be measured at cost and amortised over their economic useful life.
- 2 Externally purchased programmes paid for by Te Māngai Pāho will be measured at cost; however that cost will be nil, as this expenditure is fully reimbursed.
- 3 Internally produced programmes, which are paid for by Māori Television will be measured at cost, and amortised over their economic useful life.
- 4 Internally produced programmes, which are fully funded by Te Māngai Pāho will be recognised at cost, however the cost will be nil, as this expenditure is fully reimbursed.
- 5 Programmes produced by third party producers and funded directly by Te Māngai Pāho will be recognised at cost, however the cost will be nil.

An annual impairment assessment will be carried out on all intangible assets recognised by Māori Television.

The movement in programme inventory recognises that in the year ended 30 June 2007, Māori Television's programme inventory was fully funded by Te Māngai Pāho. The capitalised amount in the NZ IFRS 30 June 2007 financials of \$924,000 recognises those programme items paid for by Māori Television.

	Note	NZ GAAP 2007 \$000's	1-Jul-07 Effect on Transition NZ IFRS \$000's	NZ IFRS 2007 \$000's
Crown Revenue		11,537	–	11,537
Te Māngai Pāho Production Funding		21,415	–	21,415
Advertising Income		890	–	890
Interest Income		200	–	200
Other		84	–	84
Total Operating Revenue		34,126	–	34,126
Interest Expense		1	–	1
Cost of Operations and Administration		11,740	–	11,740
Cost of Programme Production and Acquisition	b	22,339	-619	21,720
Total Expenses		34,080	-619	33,461
Net Surplus for the Year		46	619	665

b) As at 30 June 2007, all of Māori Television's programme inventory had been funded by Te Māngai Pāho, and therefore has a net cost to Māori Television of nil. These adjustments reflect the reversal of the programme capitalisation and amortisation calculations for the 2007 financial year.

	Note	NZ GAAP 2007 \$000's	1-Jul-07 Effect on Transition NZ IFRS \$000's	NZ IFRS 2007 \$000's
Public Equity – 1 July	a	14,831	-2,045	12,786
Net Surplus for the Year	c	46	619	665
Public Equity – 30 June		14,887	-1,426	13,451

c) Movements in Equity reflect the changes outlined in points a) and b) above.

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